



May 04, 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: Submission of audited standalone and consolidated financial results of RattanIndia Power Limited for the quarter and financial year ended March 31, 2023 along with Auditor's Report thereon and Statement of Impact of Audit Qualifications on Financial Statement (standalone and consolidated).**

Dear Sir/Madam,

Pursuant to Regulation 33 read with Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose hereto, for your information and record:

- (i) the audited standalone and consolidated financial results of RattanIndia Power Limited ("**the Company**") for the quarter and financial year ended March 31, 2023, duly approved by the Board of Directors of the Company at its meeting held today, i.e. on May 04, 2023 (which commenced at 04:00 P.M. and concluded at 07: 30 P.M.).
- (ii) Auditors' Report dated May 04, 2023 issued by the Statutory Auditors of the Company, Messers Walker Chandiook & Co. LLP, on the aforesaid standalone and consolidated financial results of the Company for the financial year ended March 31, 2023, which was duly placed before the Board at the aforesaid meeting.
- (iii) Statement of Impact of Audit Qualification dated May 04, 2023 on financial results (standalone and consolidated) of the Company.

Thanking you,  
Yours faithfully,  
For **RattanIndia Power Limited**

**Lalit Narayan Mathpati**  
**Company Secretary**  
*Encl : as above*

**RattanIndia Power Limited**

CIN: L40102DL2007PLC169082

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

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# Walker Chandiook & Co LLP

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## Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of RattanIndia Power Limited

### Qualified Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of RattanIndia Power Limited ('the Company') for the year ended 31 March 2023, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the possible effects of the matter described in paragraph 3 below; and
  - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2023, except for the possible effects of the matter described in paragraph 3 below.

### Basis for Qualified Opinion

3. As explained in Note 4 to the accompanying Statement, the 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. 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, 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.

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India



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 31 March 2023 and the consequential impact thereof on the accompanying Statement for the year ended 31 March 2023.

Our review report for the quarter ended 31 December 2022 and audit report for quarter and 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 Statement* 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results 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 obtained by us, is sufficient and appropriate to provide a basis for our qualified opinion.

## Responsibilities of Management and Those Charged with Governance for the Statement

5. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company 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, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:





# Walker Chandiook & Co LLP

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements 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 the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Other Matter

12. The Statement includes the financial results for the quarter ended 31 March 2023, being the balancing figures between the audited figures in respect of the full financial year and the published audited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

## For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



**Deepak Mittal**

Partner

Membership No. 503843

UDIN: 23503843BGUTAY4565

Place: New Delhi

Date: 4 May 2023



# RattanIndia POWER

## RattanIndia Power Limited

Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2023

Particulars	(Rs. Crore)				
	Quarter ended			Year ended	
	31.03.2023 (Audited) refer note 15	31.12.2022 (Unaudited)	31.03.2022 (Audited) refer note 15	31.03.2023 (Audited)	31.03.2022 (Audited)
1 Revenue from operations	900.58	849.72	823.23	3,231.16	3,269.52
2 Other income	94.51	90.17	142.52	349.97	353.22
<b>Total income</b>	<b>995.09</b>	<b>939.89</b>	<b>965.75</b>	<b>3,581.13</b>	<b>3,612.74</b>
3 Expenses					
(a) Cost of fuel, power and water consumed	617.29	581.58	578.02	2,230.30	2,248.11
(b) Employee benefits expense	12.89	14.85	10.24	55.60	49.22
(c) Finance costs	129.63	138.49	140.04	533.37	585.89
(d) Depreciation and amortisation expense	52.20	57.18	56.66	222.07	226.71
(e) Other expenses	52.35	50.86	43.50	188.77	154.68
<b>Total expenses</b>	<b>864.36</b>	<b>842.96</b>	<b>828.46</b>	<b>3,228.11</b>	<b>3,264.61</b>
4 Profit before tax (1+2-3)	130.73	96.93	137.29	353.02	348.13
5 Tax expenses					
(a) Current tax	-	-	-	-	-
(b) Deferred tax	20.37	-	-	20.37	-
<b>Total tax expenses</b>	<b>20.37</b>	<b>-</b>	<b>-</b>	<b>20.37</b>	<b>-</b>
6 Profit for the period (4-5)	110.36	96.93	137.29	332.65	348.13
7 Other comprehensive income					
Items that will not be reclassified to profit or loss	0.02	-	0.35	(1.21)	(0.59)
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
<b>Other comprehensive income (net of tax)</b>	<b>0.02</b>	<b>-</b>	<b>0.35</b>	<b>(1.21)</b>	<b>(0.59)</b>
8 Total comprehensive income for the period (6+7)	110.38	96.93	137.64	331.44	347.54
9 Paid-up equity share capital (Face Value of Rs.10 per Equity Share)	5,370.11	5,370.11	5,370.11	5,370.11	5,370.11
10 Other equity as per statement of assets and liabilities				237.94	(93.50)
11 Earnings Per Share (EPS)					
*EPS for the quarter ended are not annualised					
-Basic (Rs.)	0.21*	0.18*	0.26*	0.62	0.65
-Diluted (Rs.)	0.21*	0.18*	0.26*	0.62	0.65

(See accompanying notes to the standalone financial results)

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## Notes to the Standalone Financial Results :

## 1 Standalone Statement of Assets and Liabilities

Particulars	(Rs. Crore)	
	As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	6,228.53	6,372.68
(b) Capital work-in-progress	77.11	109.27
(c) Right of use	155.05	159.69
(d) Intangible assets	0.27	0.24
(e) Financial assets		
Investment in subsidiaries	1,233.28	1,258.94
Loans	228.59	202.92
Other financial assets	81.53	32.00
(f) Non-current tax assets	5.25	8.06
(g) Other non-current assets	6.14	1.82
<b>Sub-total - Non-current assets</b>	<b>8,015.75</b>	<b>8,145.42</b>
<b>2 Current assets</b>		
(a) Inventories	126.63	127.23
(b) Financial assets		
Investments	7.99	3.79
Trade receivables	2,491.95	2,508.97
Cash and cash equivalents	178.73	148.55
Bank balances other than cash and cash equivalents	53.45	114.79
Loans	31.34	26.05
Other financial assets	3.40	2.90
(c) Other current assets	218.43	141.86
<b>Sub-total - Current assets</b>	<b>3,111.92</b>	<b>3,074.14</b>
<b>TOTAL - ASSETS</b>	<b>11,127.67</b>	<b>11,219.56</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	5,370.11	5,370.11
(b) Other equity	237.94	(93.50)
<b>Sub-total - Equity</b>	<b>5,608.05</b>	<b>5,276.61</b>
<b>2 Non-current liabilities</b>		
(a) Financial liabilities		
Borrowings	2,553.91	3,129.37
Lease liabilities	22.45	29.31
Other financial liabilities	1.16	1.23
(b) Provisions	9.22	7.93
(c) Deferred Tax Liabilities (Net)	20.37	-
(d) Other non-current liabilities	876.24	927.51
<b>Sub-total - Non-current liabilities</b>	<b>3,483.35</b>	<b>4,096.35</b>
<b>3 Current liabilities</b>		
(a) Financial liabilities		
Borrowings	1,294.05	1,246.25
Lease liabilities	9.70	8.62
Trade payables	-	-
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	128.74	88.97
Other financial liabilities	505.19	408.97
(b) Other current liabilities	58.88	58.99
(c) Provisions	40.81	39.80
<b>Sub-total - Current liabilities</b>	<b>2,036.27</b>	<b>1,847.60</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>11,127.67</b>	<b>11,219.56</b>

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2 Standalone Statement of Cash Flow		(Rs. Crore)	
Particulars	Year ended 31.03.2023 (Audited)	Year ended 31.03.2022 (Audited)	
<b>A Cash Flow From Operating Activities</b>			
Profit before tax	353.02	348.13	
<b>Adjustments for:</b>			
Depreciation/ amortisation expense	222.07	226.71	
Gain on modification of financial liabilities	-	(53.60)	
Liabilities written back	(1.41)	(0.05)	
Investment written off	27.68	21.79	
Interest income	(38.74)	(43.50)	
Loss on foreign currency transactions (net)	2.20	(0.55)	
Finance costs	533.37	565.89	
Profit on sale of investments	(0.37)	(0.05)	
<b>Operating profit before working capital changes</b>	<b>1,097.82</b>	<b>1,084.77</b>	
<b>Movement in working capital</b>			
(Increase)/ decrease in inventories	(14.52)	140.62	
(Increase)/ decrease in other financial assets	(2.88)	1.77	
(Increase)/ decrease in other assets	(77.10)	7.29	
Decrease/ (increase) in trade and other receivables	17.02	(261.07)	
Increase in other financial liabilities	9.71	18.54	
Decrease in other liabilities	(50.35)	(68.97)	
Increase in trade and other payables	41.77	19.01	
<b>Cash flow generated from operating activities post working capital changes</b>	<b>1,021.47</b>	<b>941.96</b>	
Income tax refund/ (paid)	2.81	(1.48)	
<b>Net cash flow generated from operating activities (A)</b>	<b>1,024.28</b>	<b>940.50</b>	
<b>B Cash Flows From Investing Activities</b>			
Purchase of property, plant and equipment (including capital work-in-progress)	(30.75)	(10.40)	
Loans given	(5.29)	-	
Movement in current investments (net)	(3.83)	(3.48)	
Movement in fixed deposits	12.86	61.13	
Interest received	11.34	11.39	
<b>Net cash flows (used in)/ generated from investing activities (B)</b>	<b>(15.67)</b>	<b>68.64</b>	
<b>C Cash Flows From Financing Activities</b>			
Repayment of long-term borrowings	(784.73)	(734.71)	
Finance cost paid	(175.94)	(225.01)	
Payment of lease liabilities	(7.76)	(3.50)	
<b>Net cash used in financing activities (C)</b>	<b>(978.43)</b>	<b>(963.22)</b>	
<b>D Increase in cash and cash equivalents (A+B+C)</b>	<b>30.18</b>	<b>35.92</b>	
<b>E Cash and cash equivalents at the beginning of the year</b>	<b>148.55</b>	<b>112.63</b>	
<b>F Cash and cash equivalents at the end of the year (D+E)</b>	<b>178.73</b>	<b>148.55</b>	

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- 3 The standalone financial results of RattanIndia Power Limited ("RPL" or "the Company") for the quarter and year ended 31 March 2023 have been reviewed by the Audit Committee on 04 May 2023 and subsequently, approved at the meeting of the Board of Directors ("the Board") held on 04 May 2023. The standalone financial results have been audited by the Statutory Auditors of the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (as amended). The standalone financial results are prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as specified in Section 133 of the Companies Act, 2013 ("the Act").
- 4 The Company has non-current investment of Rs. 1,211.82 crore and loans under 'current financial assets' of Rs. 31.34 crore (net of impairment provision) recoverable from Sinner Thermal Power Limited ("STPL"), wherein all 5 units have been commissioned, but are yet to commence commercial operations, pending the execution of PPA for offtake of power. 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' 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 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.
- The statutory auditors have issued qualified opinion in respect of recoverability of non-current investments and current loans in STPL in their audit report.
- 5 In light of the ratio laid down by the Hon'ble Supreme Court in Civil Appeal No 5399-5400 of 2018 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 18 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 Rs 312.15 crore 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.
- 6 During the quarter, Aditya Birla ARC Limited ("ABARC") acting in its capacity as the trustee of ABARC-AST-002 Trust, the debenture holder, holding Inter-India 196,500 Non-Convertible Debentures of face value Rs 100,000/- each (issued in December 2020), has amended certain terms and further, has granted further extension for redemption of the balance due (Rs. 686.25 crore 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.
- 7 During the year, the Company has made prepayment of Rs 254.73 crore to Aditya Birla ARC Limited ("ABARC") towards existing facilities availed by the Company.
- 8 Mr. Rajiv Rattan has been appointed as an Executive Chairman of the Company w.e.f. 01 October 2022.
- 9 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 59(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.
- 10 Revenue from operations on account of Change in Law events in terms of PPA is accounted for by the Company based on the best estimates, favourable and covered orders of regulatory authorities in some cases which may be subject to adjustments on account of final orders of respective authorities.
- 11 The Chief Operating Decision Maker ("CODM") reviews the operations at the Company level. The operations of the Company fall under the "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.
- 12 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.
- 13 During the previous year ended 31 March 2022, 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 Rs 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 results at this stage.
- 14 The Water Resource Department of the Government of Maharashtra ('WRD' or 'Respondent') vide their letter dated 29 January 2013 had raised a demand of Rs. 232.18 crore on the Company for payment of irrigation restoration charges (IRC) at the rate of Rs. One lakh per hectare as per Government Resolution (GR) dated 06 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 Rs. 0.50 lakh per hectare. The Company had paid Rs. 116.57 crore (calculated at Rs. 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 05 May 2018 had partly allowed the petition and held that demand at revised rate i.e. as per GR dated 06 March 2009 was illegal and unsustainable. As per Nagpur Bench order, the rate prescribed in the GR dated 06 March 2009 was applicable prospectively from 01 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 Rs. One lakh per hectare was erroneously given credence over the erstwhile Government circular dated 21 February 2004 that prescribed the rate of Rs. 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 Rs. One lakh per hectare since 2008 and further, erroneously relied on 2009 Notification, wherein IRC was notified at Rs. 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 results.
- 15 The Figures for the quarter ended 31 March 2023 and 31 March 2022 represents the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial year which was subjected to limited review by the auditors.

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## Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of RattanIndia Power Limited

### Qualified Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') 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, for the year ended 31 March 2023, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
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 other auditors on separate audited financial statements of the subsidiaries, as referred to in paragraph 14 below, the Statement:
  - (i) includes the annual financial results of the entities listed in Annexure 1;
  - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the possible effects of the matters described in paragraph 3 below; and
  - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net loss after tax and other comprehensive income and other financial information of the Group and its associate, for the year ended 31 March 2023 except for the possible effects of the matter described in paragraph 3 below.

### Basis for Qualified Opinion

3. As explained in Note 5 to the accompanying Statement, Sinner Thermal Power Limited (STPL), is yet to commence operations and has incurred net loss amounting to ₹ 2,208.37 crores 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 ₹ 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 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 ₹ 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 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 ₹ 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 31 March 2023.

Our review report for the quarter ended 31 December 2022 and audit report for quarter and 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 Statement* 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results 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 obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 14 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 5 to the accompanying Statement 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, 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 the accompanying Statement. Our opinion is not modified in respect of this matter.

## Responsibilities of Management and Those Charged with Governance for the Statement

6. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss and other comprehensive income, and other financial information of the Group including its associate, in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations (as amended). The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group including its associate, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group including its associate, 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 results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
7. In preparing the Statement, 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 respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its associate, are responsible for overseeing the financial reporting process of the companies included in the Group and of its associate.

## Auditor's Responsibilities for the Audit of the Statement

9. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
10. As part of an audit in accordance with the 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 Statement, 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 the Board of Directors.
  - Conclude on the appropriateness of Board of Directors's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group and its associate, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, 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.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the Statement, of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

## Other Matters

14. We did not audit the annual financial statements/ financial information/ financial results of 1 subsidiary included in the Statement, whose financial information reflects total assets of ₹ 240.31 crores as at 31 March 2023, total revenues of ₹ Nil, total net loss after tax of ₹ 0.02 crores, total comprehensive loss of ₹ 0.02 crore, and cash flows (net) of ₹ (0.004) crores for the year ended on that date, as considered in the Statement. These annual financial statements/ financial information/ financial results have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit report of such other auditors, and the procedures performed by us as stated in paragraph 2 above.





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Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

15. The Statement includes the annual financial statements/ financial information/ financial results of 3 subsidiaries, which have not been audited, whose annual financial statements/ financial information/ financial results reflect total assets of ₹ Nil as at 31 March 2023, total revenues of ₹ Nil, total net loss after tax of ₹ 0.07 crore, total comprehensive loss of ₹ 0.07 crore for the year ended 31 March 2023, and cash flow (net) of ₹ Nil for the year then ended, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of ₹ Nil and total comprehensive loss of ₹ Nil for the year ended 31 March 2023, in respect of 1 associate, based on their interim financial statements/ financial information/ financial results, which have not been reviewed/ audited by their auditors. These financial statements/ financial information/ financial results have been furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries and associate, is based solely on such unaudited financial statements / financial information/ financial results. In our opinion, and according to the information and explanations given to us by the management, these financial statements/ financial information/ financial results are not material to the Group.

Our opinion is not modified in respect of this matter with respect to our reliance on the financial statements/ information/ results certified by the Board of Directors.

16. The Statement includes the consolidated financial results for the quarter ended 31 March 2023, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

## For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

**Deepak Mittal**

Partner

Membership No. 503843

UDIN: 23503843BGUTAX8535

Place: New Delhi

Date: 4 May 2023



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## Annexure 1

### List of entities included in the Statement

#### Subsidiaries

- 1) Sinnar Thermal Power Limited
- 2) Poena Power Development Limited
- 3) Bracond Limited
- 4) Geneformous Limited
- 5) Renemark Limited
- 6) Sinnar Power Transmission Limited (upto 11 May 2022)

#### Associate

- 1) Sinnar Power Transmission Limited (from 12 May 2022 to 27 July 2022)





# RattanIndia POWER

## RattanIndia Power Limited Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2023

Particulars	(Rs. Crore)				
	Quarter ended			Year ended	
	31.03.2023 (Audited) refer note 18	31.12.2022 (Unaudited)	31.03.2022 (Audited) refer note 18	31.03.2023 (Audited)	31.03.2022 (Audited)
1 Revenue from operations	900.58	849.72	823.23	3,231.16	3,259.52
2 Other income	88.06	81.57	209.52	328.20	409.64
<b>Total Income</b>	<b>988.64</b>	<b>931.29</b>	<b>1,032.75</b>	<b>3,569.36</b>	<b>3,669.16</b>
3 Expenses					
(a) Cost of fuel, power and water consumed	619.82	584.08	578.42	2,239.05	2,250.59
(b) Employee benefits expense	12.71	14.95	10.38	55.89	50.04
(c) Finance costs	650.69	856.24	596.57	2,511.23	2,341.79
(d) Depreciation and amortisation expense	96.97	102.98	102.78	404.37	414.45
(e) Other expenses	71.27	52.80	50.99	198.30	155.61
<b>Total expenses</b>	<b>1,451.45</b>	<b>1,411.05</b>	<b>1,339.14</b>	<b>5,408.84</b>	<b>5,212.88</b>
4 Loss before share of profit/ (loss) in associate (1+2-3)	(462.82)	(479.76)	(306.39)	(1,849.48)	(1,543.72)
5 Share of profit/ (loss) in associate	-	-	-	-	-
6 Loss before exceptional items and tax (4-5)	(462.82)	(479.76)	(306.39)	(1,849.48)	(1,543.72)
7 Exceptional items	-	-	-	-	437.73
8 Loss before tax (6-7)	(462.82)	(479.76)	(306.39)	(1,849.48)	(1,981.45)
9 Tax expenses					
(a) Current tax	-	-	-	-	-
(b) Deferred tax	20.37	-	-	20.37	-
<b>Total tax expenses</b>	<b>20.37</b>	<b>-</b>	<b>-</b>	<b>20.37</b>	<b>-</b>
10 Loss for the period (8-9)	(483.19)	(479.76)	(306.39)	(1,869.85)	(1,981.45)
11 Other comprehensive income					
(i) Items that will not be reclassified to profit or loss					
Income tax relating to items that will not be reclassified to profit or loss	0.12	-	0.36	(1.16)	(0.52)
(ii) Items that will be reclassified to profit or loss					
Income tax relating to items that will be reclassified to profit or loss	0.01	(0.02)	(0.04)	(0.11)	(0.04)
<b>Other comprehensive income (net of tax)</b>	<b>0.13</b>	<b>(0.02)</b>	<b>0.32</b>	<b>(1.27)</b>	<b>(0.56)</b>
12 Total comprehensive loss for the period (10+11)	(483.06)	(479.78)	(306.07)	(1,871.12)	(1,982.01)
13 Loss for the period attributable to:					
Equity holders of the Company	(483.19)	(479.76)	(310.43)	(1,869.85)	(1,981.45)
Non-controlling interest	-	-	4.04	-	-
<b>Other comprehensive Income attributable to</b>	<b>(483.19)</b>	<b>(479.76)</b>	<b>(306.39)</b>	<b>(1,869.85)</b>	<b>(1,981.45)</b>
Equity holders of the Company	0.13	(0.02)	0.32	(1.27)	(0.56)
Non-controlling interest	-	-	-	-	-
<b>Total comprehensive loss for the period attributable to:</b>	<b>0.13</b>	<b>(0.02)</b>	<b>0.32</b>	<b>(1.27)</b>	<b>(0.56)</b>
Equity holders of the Company	(483.06)	(479.78)	(310.11)	(1,871.12)	(1,982.01)
Non-controlling interest	-	-	4.04	-	-
<b>14 Paid-up equity share capital (Face Value of Rs.10 per Equity Share)</b>	<b>5,370.11</b>	<b>5,370.11</b>	<b>5,370.11</b>	<b>5,370.11</b>	<b>5,370.11</b>
15 Other equity as per statement of assets and liabilities				(9,903.03)	(8,031.91)
16 Earnings Per Share (EPS)					
*EPS for the quarter ended are not annualised					
-Basic (Rs.)	(0.90)*	(0.89)*	(0.57)*	(3.48)	(3.69)
-Diluted (Rs.)	(0.90)*	(0.89)*	(0.57)*	(3.48)	(3.69)

(See accompanying notes to the consolidated financial results)

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## Notes to the Consolidated Financial Results :

## 1 Consolidated Statement of Assets and Liabilities

Particulars	(Rs. Crore)	
	As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	12,815.51	13,140.29
(b) Capital work-in-progress	1,110.03	1,142.20
(c) Right of use	234.80	240.47
(d) Other Intangible assets	0.27	0.24
(e) Financial assets		
Other financial assets	84.69	35.88
(f) Non-current tax assets	6.48	9.47
(g) Other non-current assets	9.40	5.78
(h) Assets held for sale	-	0.00
<b>Sub-total - Non-current assets</b>	<b>14,261.18</b>	<b>14,674.33</b>
<b>2 Current assets</b>		
(a) Inventories	136.04	136.64
(b) Financial assets		
Investments	7.99	3.79
Trade receivables	2,491.95	2,508.97
Cash and cash equivalents	179.02	150.22
Bank balances other than cash and cash equivalents	54.52	119.92
Loans	0.01	0.00
Other financial assets	4.74	4.47
(c) Other current assets	236.41	160.03
<b>Sub-total - Current assets</b>	<b>3,110.68</b>	<b>3,084.04</b>
<b>TOTAL - ASSETS</b>	<b>17,371.86</b>	<b>17,658.37</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	5,370.11	5,370.11
(b) Other equity	(9,903.03)	(8,031.91)
<b>Sub-total - Equity</b>	<b>(4,532.92)</b>	<b>(2,661.80)</b>
<b>2 Non-current liabilities</b>		
(a) Financial liabilities		
Borrowings	2,553.91	7,129.91
Lease liabilities	23.52	30.38
Other financial liabilities	1.16	55.97
(b) Provisions	9.33	8.08
(c) Deferred Tax Liabilities (Net)	20.37	-
(d) Other non-current liabilities	676.24	927.51
<b>Sub-total - Non-current liabilities</b>	<b>3,484.53</b>	<b>8,151.85</b>
<b>3 Current liabilities</b>		
(a) Financial liabilities		
Borrowings	8,430.65	4,378.16
Lease liabilities	9.70	8.62
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	282.74	213.15
Other financial liabilities	9,599.40	7,471.53
(b) Other current liabilities	56.94	57.06
(c) Provisions	40.82	39.80
<b>Sub-total - Current liabilities</b>	<b>18,420.25</b>	<b>12,168.32</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>17,371.86</b>	<b>17,658.37</b>

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2 Consolidated Statement of Cash Flow		(Rs. Crore)	
Particulars	Year ended 31.03.2023 (Audited)	Year ended 31.03.2022 (Audited)	
<b>A Cash Flow From Operating Activities</b>			
Loss before tax	(1,849.48)	(1,981.45)	
<b>Adjustments for:</b>			
Depreciation/ amortisation expense	404.37	414.45	
Gain on modification of financial liabilities	-	(53.60)	
Interest income	(13.41)	(13.49)	
Profit on sale of Investment	(0.37)	(0.05)	
Profit/ (loss) on foreign currency transactions (net)	10.37	(1.00)	
Finance costs	2,511.23	2,341.79	
Investment/ receivables written off	3.18	7.68	
Unclaimed balances and excess provisions written back	(1.42)	(4.94)	
Profit on sale/ strike off subsidiaries during the year	(3.48)	(75.58)	
Exceptional Items (CWIP written off)	-	437.73	
Miscellaneous Income	(0.03)	-	
<b>Operating profit before working capital changes</b>	<b>1,060.96</b>	<b>1,071.64</b>	
<b>Movement in working capital</b>			
(Increase)/ decrease in inventories	(14.52)	140.78	
(Increase)/ decrease in other financial assets	(2.68)	1.76	
(Increase)/ decrease in other assets	(76.82)	10.16	
Decrease/ (increase) in trade and other receivables	17.02	(281.07)	
Increase in other financial liabilities	9.57	22.53	
Decrease in other liabilities	(50.34)	(69.08)	
Increase in trade and other payables	69.59	19.01	
<b>Cash flow generated from operating activities post working capital changes</b>	<b>1,012.58</b>	<b>935.83</b>	
Income tax refund/ (paid)	2.87	(1.55)	
<b>Net cash flow generated from operating activities (A)</b>	<b>1,015.45</b>	<b>934.08</b>	
<b>B Cash Flows From Investing Activities</b>			
Purchase of property, plant and equipment (including capital work-in-progress)	(30.76)	(11.31)	
Movement in current investments (net)	(3.83)	(3.40)	
Movement in fixed deposits	17.44	61.22	
Interest received	11.86	12.08	
<b>Net cash flows (used in)/ generated from investing activities (B)</b>	<b>(5.29)</b>	<b>58.59</b>	
<b>C Cash Flows From Financing Activities</b>			
Repayment of long-term borrowings (net)	(794.73)	(734.71)	
Proceeds from short-term borrowings (net)	3.25	7.80	
Finance cost paid	(177.74)	(225.35)	
Payment of lease liabilities	(7.75)	(3.50)	
<b>Net cash used in financing activities (C)</b>	<b>(976.97)</b>	<b>(955.76)</b>	
<b>D Increase in cash and cash equivalents (A+B+C)</b>	<b>33.19</b>	<b>36.91</b>	
<b>E Cash and cash equivalents at the beginning of the year</b>	<b>145.44</b>	<b>108.53</b>	
<b>F Cash and cash equivalents at the end of the year (D+E)*</b>	<b>178.63</b>	<b>145.44</b>	

\* Net off Bank overdraft of Rs. 0.39 Crore ( 31 March 2022: Rs. 4.78 Crore)

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- 3 RattanIndia Power Limited ("the Holding Company" or "RPL") and its subsidiaries are together referred to as "the Group" in the following notes. RPL conducts its operations along with its subsidiaries.
- 4 The above consolidated financial results of the Group for quarter and year ended 31 March 2023 have been reviewed by the Audit Committee on 04 May 2023 and subsequently, approved at the meeting of the Board of Directors ("the Board") held on 04 May 2023. The consolidated financial results have been audited by the Statutory Auditors of the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (as amended). The consolidated financial results are prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as specified in Section 133 of the Companies Act, 2013 ("the Act").
- 5 Sinner 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 Rs. 11,803.88 crore and its current liabilities exceed its current assets by Rs. 16,432.11 crore 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 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.
- 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.
- STPL has defaulted in repayment of borrowings from banks and financial institution, including interest, aggregating to Rs. 11,700.31 crores upto 31 March 2023. In respect of 'Other current financial liabilities (accrued interest)' balance aggregating to Rs.5,581.60 crores, direct confirmations have not been received while in case of certain lenders, the balance of Current borrowings and accrued interest confirmed is higher by Rs. 333.91 crores and Rs. 286.53 crores 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.
- The statutory auditors have issued qualified opinion in respect of above matters and further have emphasized on control assessment of subsidiary (STPL) in their audit report.
- 6 During the quarter, Aditya Birla ARC Limited ("ABARC") acting in its capacity as the trustee of ABARC-AST-002 Trust, the debenture holder, holding inter-alia 198,500 Non-Convertible Debentures of face value Rs 100,000/- each (issued in December 2020), has amended certain terms and further, has granted further extension for redemption of the balance due (Rs. 686.25 crore as on 31 March 2023), by a period of 45 days i.e. upto 15 May 2023. RPL is in process of availing a refinancing facility and is confident to repay the above-mentioned debenture dues on or before due date.
- 7 During the year, RPL has made prepayment of Rs 254.73 crore to Aditya Birla ARC Limited ("ABARC") towards existing facilities availed by the Company.
- 8 Mr. Rajiv Rattan has been appointed as an Executive Chairman of RPL w.e.f. 01 October 2022.
- 9 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 Rs 312.16 crore 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.
- 10 During the previous year ended 31 March 2022, STPL had accounted for impairment loss amounting to Rs. 437.73 crore against Capital work-in-progress ("CWIP") being amount incurred for development of Phase II. The same was recorded as an exceptional item, in consolidated statement of profit & loss.
- 11 RPL, under the One Time Settlement scheme (OTS), had issued Redeemable Preference Shares (RPS) in December 2019 to the lenders of RPL, that had become redeemable on 27 December 2021. However, in spite 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. RPL 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.
- 12 Revenue from operations on account of Change in Law events in terms of PPA is accounted for by RPL based on the best estimates, favourable and covered orders of regulatory authorities in some cases which may be subject to adjustments on account of final orders of respective authorities.
- 13 The Chief Operating Decision Maker ("CODM") reviews the operations at the Group level. The operations of the 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.
- 14 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 Group 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.
- 15 During the previous year ended 31 March 2022, RPL 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 RPL has not utilized this for any coal supply to the plant. Subsequently during the quarter ended 30 June 2022, RPL had received letters from WCL & MCL informing cancellation of LoA and invocation of bank guarantee amounting to Rs 54.96 crore. RPL 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. RPL based upon inputs from legal experts believes that it has a strong case and accordingly, no provision is considered necessary in these consolidated financial results at this stage.
- 16 During the current year, a writ petition was filed by Jeevagan Narayan Swami (suspended director of STPL) against Union of India & Others before the Hon'ble High Court of Delhi (HC), in relation to quashing of the notice dated 08 December 2022 issued by South Eastern Coalfields Limited (SECL) to subsidiary company- STPL towards termination of Fuel Supply Agreement (FSA) and invoking of the bank guarantees (BG). The Hon'ble Court was of the opinion that the present petition has to be filed before NCLT in view of the insolvency proceedings initiated against STPL, as discussed in Note 5. NCLT Judgment was pronounced on 29 March 2023 holding that NCLT does not have jurisdiction to entertain the said dispute, which has arisen outside the insolvency proceedings of STPL. Pursuant to this, Director Jeevagan Narayan Swami (suspended director of STPL) had filed Writ Petition before the HC challenging the termination of FSA by SECL and the invocation of the BG by SECL. In the meanwhile on 5 April 2023, SECL encashed certain BGs aggregating to Rs. 21.25 crore. The HC vide its order dated 11 April 2023 stayed the invocation of the rest of the BG's and restrained SECL from taking any further steps. Further, an application has also been filed by Jeevagan Narayan Swami (suspended director of STPL) before the HC to restore the BG's already encashed, that is currently pending disposal. While the STPL management is confident of relief in the matter based on similar writ petitions wherein the HC had taken cognizance of the actions taken by Coal Supplier Companies, the Group's management has assessed and considered the impact of this matter in these consolidated financial results, as per applicable Indian Accounting Standards and believes that no further adjustment is necessary.

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- 17 The Water Resource Department of the Government of Maharashtra ("WRD" or "Respondent") vide their letter dated 29 January 2013 had raised a demand of Rs. 232.18 crore on RPL for payment of irrigation restoration charges (IRC) at the rate of Rs. One lakh per hectare as per Government Resolution (GR) dated 06 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 Rs. 0.50 lakh per hectare. RPL had paid Rs. 116.57 crore (calculated at Rs. 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 05 May 2016 had partly allowed the petition and held that demand at revised rate i.e. as per GR dated 06 March 2009 was illegal and unsustainable. As per Nagpur Bench order, the rate prescribed in the GR dated 06 March 2009 was applicable prospectively from 01 April 2009 and was not applicable in RPL 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 RPL and WRD stipulating irrigation restoration charge at the rate of Rs. One lakh per hectare was erroneously given credence over the erstwhile Government circular dated 21 February 2004 that prescribed the rate of Rs. 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 RPL had protested for first time in 2011 which was contrary to the fact that RPL had been protesting the proposed IRC levy at the rate of Rs. One lakh per hectare since 2008 and further, erroneously relied on 2009 Notification, wherein IRC was notified at Rs. One lakh per hectare for the very first time. Aggrieved of the SC order, RPL 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 RPL 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 RPL in respect of the said matter is not probable and accordingly, no adjustment is currently required in these consolidated financial results.
- 18 The Figures for the quarter ended 31 March 2023 and 31 March 2022 represents the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial year which was subjected to limited review by the auditors.

Registered Office : A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-110037  
CIN : L40102DL2007PLC159082

For and on behalf of the Board of Directors  
RattanIndia Power Limited

  
Brijesh Narendra Gupta  
Managing Director



Place : Mumbai  
Date : 04 May 2023

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**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone Financials)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sl. No	Particular	Audited Figures (as reported before adjusting for qualifications) Rs. in crore	Adjusted Figures (audited figures after adjusting for qualifications) Rs. in crore
	1	Turnover / Total income	3581.13	3581.13
	2	Total Expenditure	3228.11	3228.11
	3	Net Profit/(Loss)	353.02	353.02
	4	Earnings Per Share ( in Rs only)	0.62	0.62
	5	Total Assets	11127.67	11127.67
	6	Total Liabilities	5519.62	5519.62
	7	Net Worth	5608.05	5608.05
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
II	<b>Audit Qualification (each audit qualification separately):</b>			
	<b>a. Details of Audit Qualification:</b>			
	The audit report of statutory auditors have given the following qualifications on the standalone audited financial statements(the "statement")			
	As explained in Note 4 to the accompanying Statement, the Company has non-current investment of Rs. 1,211.82 crores (net of impairment provision of Rs. 1,814.39 crores) and inter-corporate deposit (classified under current assets) of Rs. 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. 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, 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 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 Rs. 1,211.82 crores and inter-corporate deposit of Rs. 31.34 crores as at 31 March 2023 and the consequential impact thereof on the accompanying Statement for the year ended 31 March 2023.			
	Our review report for the quarter ended 31 December 2022 and audit report for quarter and year ended 31 March 2022 was also qualified with respect to this matter.			
	<b>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</b>			
	<b>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: has appeared in continuation since financial year ended March 31, 2018.</b>			
	<b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not applicable- as the impact is not quantified.</b>			
	<b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b>			
	<b>(i) Management's estimation on the impact of audit qualification:</b> Unable to estimate			












**(ii) If management is unable to estimate the impact, reasons for the same:**

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.

**(iii) Auditors' Comments on (i) or (ii) above:**

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 Rs. 1,211.82 crores and inter-corporate deposit of Rs. 31.34 crores as at 31 March 2023 and the consequential impact thereof on the accompanying Statement for the year ended 31 March 2023.

III	Signatories	Signatures	Place
	Brijesh Narendra Gupta, Managing Director	 	Mumbai
	Ankur Mitra, Chief Financial Officer	 	Mumbai
	Jeevagan Narayan Swami Nadar, Chairman, Audit Committee	 	New Delhi
	Representative of M/s Walker Chandiook & Co. LLP, Statutory Auditors	  	New Delhi
	Date: 04/05/2023		







**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated Financials)**

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023</b> <b>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]</b>				
<b>I</b>	<b>Sl. No</b>	<b>Particular</b>	<b>Audited Figures (as reported before adjusting for qualifications) Rs. in crore</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications) Rs. in crore</b>
	1	Turnover / Total income	3559.36	3559.36
	2	Total Expenditure	5408.84	5408.84
	3	Net Profit/(Loss)	(1849.48)	(1849.48)
	4	Earnings Per Share (in Rs only)	(3.48)	(3.48)
	5	Total Assets	17371.86	17371.86
	6	Total Liabilities	21904.78	21904.78
	7	Net Worth	(4532.92)	(4532.92)
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
<b>II</b>	<b>Audit Qualification (each audit qualification separately):</b>			
	<b>a. Details of Audit Qualification:</b>			
	The audit report of statutory auditors have given the following qualifications on the standalone audited financial statements(the "statement")			
	<p>As explained in Note 5 to the accompanying Statement, Sinnar Thermal Power Limited (STPL), is yet to commence operations and has incurred net loss amounting to Rs. 2,208.37 crores 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 Rs. 11,803.88 crores and its current liabilities exceed its current assets by Rs. 16,432.11 crores.</p>			
	<p>Also, STPL has defaulted in repayment of borrowings from banks and financial institutions, including interest, aggregating to Rs. 11,700.31 crores 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 Rs. 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 Rs. 333.91 crores and Rs.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 31 March 2023.</p>			
	<p>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.</p>			
	<p>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 Rs 7,685.67 crores and the liabilities aggregating to Rs. 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 31 March 2023.</p>			
	<p>Our review report for the quarter ended 31 December 2022 and audit report for quarter and year ended 31 March 2022 was also qualified with respect to this matter.</p>			



<p><b>b. Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
<p><b>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing:</b> has appeared first time in financial year ended 31 March 2022</p>
<p><b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not applicable- as the impact is not quantified.</p>
<p><b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p>
<p><b>(i) Management's estimation on the impact of audit qualification:</b> Unable to estimate</p>
<p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b> 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. 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. In respect of 'Other current financial liabilities (accrued interest)' balance aggregating to Rs.5,581.60 crores, direct confirmations have not been received while in case of certain lenders, the balance of Current borrowings and accrued interest confirmed is higher by Rs. 333.91 crores and Rs. 286.53 crores 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.</p>
<p><b>(iii) Auditors' Comments on (i) or (ii) above:</b> 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 Rs 7,685.67 crores and the liabilities aggregating to Rs. 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 31 March 2023.</p>



III	Signatories	Signatures	Place
	Brijesh Narendra Gupta, Managing Director		Mumbai
	Ankur Mitra, Chief Financial Officer		Mumbai
	Jeevagan Narayan Swami Nadar, Chairman, Audit Committee		New Delhi
	Representative of M/s Walker Chandiook & Co. LLP, Statutory Auditors		New Delhi
Date: 04/05/2023			