



September 08, 2022

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, 2022.**

Dear Sir/Madam,

In furtherance to our intimation dated 7<sup>th</sup> September, 2022 wherein the Company had informed that the 15<sup>th</sup> Annual General Meeting (AGM) of the Company is scheduled to be held on Friday, 30<sup>th</sup> September, 2022 at 09:00 A.M. (IST) through Video Conference/Other Audio Visual Means, we are submitting herewith the Annual Report of the Company including the Business Responsibility Report and the Notice of AGM for the financial year 2021-22, which is being sent only through electronic mode to the Members, holding equity shares of the Company as on September 02, 2022 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.

Thanking you,

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 15<sup>th</sup> Annual General Meeting (AGM) of the members of RattanIndia Power Limited will be held on Friday, September 30, 2022 at 09:00 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business.

The proceedings of the 15<sup>th</sup> AGM shall be deemed to be conducted at the Registered office of the Company at A-49, Ground Floor Road No. 4, Mahipalpur, New Delhi-110037, which shall be the deemed venue of the AGM.

#### ORDINARY BUSINESS:

- 1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and auditors thereon.**

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

**"RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors and of the Auditors thereon be and are hereby received, considered and adopted.

**RESOLVED FURTHER THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2022, together with the reports of the Auditors thereon be and are hereby received, considered and adopted."

- 2. 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 a 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:

- 3. Appointment of Mr. Rajiv Rattan (DIN: 00010849) as an Executive Chairman.**

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

**"RESOLVED 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 Article 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 is hereby accorded to the appointment of Mr. Rajiv Rattan (DIN: 00010849) by the Board of Directors of the Company, as an Executive Chairman of the Company for a period of five years, w.e.f. October 01, 2022 on the remuneration, terms and conditions 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 Board be and is hereby authorised to revise the remuneration of Mr. Rajiv Rattan 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."

#### 4. Appointment of Mr. Brijesh Narendra Gupta (DIN: 08469815) as Managing 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. Brijesh Narendra Gupta (DIN: 08469815) who was appointed as an Additional Director of the Company by the Board of Directors of the Company, with effect from July 16, 2022 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. Brijesh Narendra Gupta by the Board of Directors of the Company, as the Managing Director of the Company for a period of five years w.e.f. July 16, 2022, such appointment being renewable for a further period of five years upon each expiry, on the remuneration, terms and conditions 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 Managing 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. Brijesh Narendra Gupta 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.”

#### 5. Appointment of Mr. Asim Kumar De (DIN: 03619507) as 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. Asim Kumar De (DIN: 03619507) who was appointed as an Additional Director of the Company by the Board of Directors of the Company, with effect from November 03, 2021 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. Asim Kumar De 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. November 03, 2021, such appointment being renewable for a further period of five years upon each expiry, on the remuneration, terms and conditions 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. Asim Kumar De 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 the Companies Act, 2013 read with Schedule V thereto and 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. Approval to the Related Party Transaction with RattanIndia Enterprises Limited**

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and as per the Company’s policy on Related Party Transactions and subject to such other approvals, consents, permissions and sanctions as may be required from Maharashtra Industrial Development Corporation (MIDC) or any other authority as statutorily and contractually required, the consent of the members of the Company be and is hereby accorded to the proposed transaction for entering into an arrangement with RattanIndia Enterprises Limited (REL), a related party, for arranging developers for commercial development of a plot admeasuring 421 acres, situated at Amravati Thermal Power Plant at Nandgaon Peth, Amravati, earmarked and offered by the Company, the lessee of the said plot, for the purpose and to procure firm bookings for the developed plots, as per details mentioned below:

Name of the Related party (1)	Nature of services proposed to be rendered (2)	Material Terms of the Contract including monetary value (3)	Other relevant or important information (4)	Name of the director or key managerial personnel who is related, if any and nature of relationship of the related party (5)
RattanIndia Enterprises Limited (REL)	REL shall arrange developers for commercial development of a plot earmarked and offered for the purpose by the Company on a leave and license basis. REL will also procure the firm booking orders for the plots/ units/constructed by such developers/users.	The Company will be earmarking and offering its leased Land admeasuring approx. 421 Acres to the developers (“Developers/ User”) on a leave and license basis for developing the Plot for commercial basis. In consideration for the same, Developers/Users will pay a licensee fee/ usage fee, which shall be shared between the Company and REL in a predetermined ratio for each financial year for the entire duration of the contract. Term of the Contract: 20 years, renewable for a further period of 5 years and for such further period as mutually agreed	Explore the Commercial use of surplus land and share the profit in the ration of 75:25 between REL and the Company respectively. Other terms and conditions as may be mutually agreed between the Company and REL.	Mr. Rajiv Rattan who forms a part of the promoter group of the Company, is also a Promoter of REL. He is also Executive Chairman & Executive Director of REL.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors and/or Committee thereof be and is hereby authorized to finalize and execute such documents/ deeds/ writings/ agreements as may be required based on the agreed terms with authority to revise the terms in the best interest of the Company and do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper and to settle any question, difficulty or doubt that may arise in this regard.”

**7. 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 Thousand

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 are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2021-22 and subsequently paid to them, be and is hereby ratified and approved.

**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 7, 2022

**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:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its general circular no. 02/2022 dated May 05, 2022, circular no. 02/2021 dated January 13, 2021, circular no. 21/2021 dated December 14, 2021, circular no. 20/2020 dated May 5, 2020 read with general circular No. 14/ 2020 dated April 8, 2020 and general circular no. 17/ 2020 dated April 13, 2020 (collectively referred to as 'MCA Circulars') read with SEBI Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 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').
2. 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.
3. 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.
4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, read with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), 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.
6. Remote e-voting will commence at 10:00 A.M. on Tuesday, September 27, 2022 and will end at 5:00 P.M. on Thursday, September 29, 2022, then remote e-voting will be blocked.
7. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on Friday, September 23, 2022 (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 purposes only.

The Register of Member and Share Transfer Books of the Company shall remain closed from Saturday, September 24, 2022 to Friday, September 30, 2022 (both days inclusive) for the purpose of 15th AGM of the Company.

8. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Annual Report 2022 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.
9. Members may note that the Notice and Annual Report 2021-22 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>.
10. 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 Annual Report 2022, 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).
11. 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. 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.
12. 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.
13. 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.
14. 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.
15. 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).
16. 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.
17. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@Kfintech.com](mailto:evoting@Kfintech.com). However, if he / she is already registered with KFinTech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
18. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned

below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”

19. 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. 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. Existing user who have opted for Easi / Easiest           <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or 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.</li> </ol> </li> </ol>

	After successful authentication, user will be provided links for the respective ESP, i.e <b>KFintech</b> where the e- Voting is in progress.
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.

Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

**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) 7016, 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., 7016 “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 Participant(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - ii. Alternativel, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
  - 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 though VC/ OAVM shall open atleast 15 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, 2022 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. 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 Monday, September 26, 2022 to Wednesday, September 28, 2022. 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 Monday, September 26, 2022 to Wednesday, September 28, 2022.
  - 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 23, 2022, 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 the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
      1. Example for NSDL:
      2. MYEPWD <SPACE> IN12345612345678
      3. Example for CDSL:
      4. MYEPWD <SPACE> 1402345612345678
      5. Example for Physical:
      6. MYEPWD <SPACE> XXXX1234567890
    - ii. 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.
    - iii. 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).
20. 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. 3,4,5,6 & 7 of the accompanying Notice dated September 07, 2022.

### Item no. 3:

Mr. Rajiv Rattan, aged 49 years who forms part of the promoter group, is presently a non-executive director and Chairman of the Board and of the Company. Since he has been at the helm of the operational and policy decision, Board of Directors of the Company in its meeting held on August 31, 2022, subject to approval from the shareholders on the recommendation of the Nomination & Remuneration Committee, changed the status of his directorship from Non- Executive to an Executive and designate

him as an Executive Chairman, with the compensation commensurate with his responsibilities, effective from October 01, 2022 for a period of five years on the terms and condition mentioned hereinafter.

Broad Terms of his appointment and the remuneration are:

(a) Remuneration	(₹ per annum)
Basic	: ₹ 2,67,00,000/-
HRA	: ₹ 1,33,00,000/-
Total	: ₹ 4,00,00,000/-

Perquisite : Leave Travel Concession : Reimbursement of to and fro travel expenses, once every year for self and family, for travelling to any place within India or overseas, subject to a maximum of 25% of the Basic Salary.

Annual Increment: 35% per annum as per the rules of the Company

Annual leaves and gratuity: as per the standard rules of the Company and applicable laws.

Other terms and conditions: as per Company Rules.

(b) the effective date of his appointment as an Executive Director and Executive Chairman will be October 01, 2022.

(c) the payment of remuneration to him, shall commence from October 1, 2022.

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

Mr. Rajiv Rattan 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. Rajiv Rattan by the Board of Directors, as an Executive Chairman of the Company for a period of five years with effect from October 01, 2022, at the remuneration and other terms and conditions fixed by the Board.

Accordingly approval of members by way of a special resolution set out at item no. 3 is sought.

None of the Directors or KMP of the Company except Mr. Rajiv Rattan, or their respective relatives is concerned or interested financially or otherwise in the Resolution at Item No.3 of the accompanying Notice.

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

#### 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 the appointee:

1. Background details: Mr. Rajiv Rattan a first generation entrepreneur is the Chairman of RattanIndia Group. Mr. Rattan is an alumnus of IIT Delhi and started his professional career with Schlumberger, one of the largest oilfield Services Company in the world.

Prior to RattanIndia Group, he co-founded one of the largest conglomerate in India which included businesses in Consumer Finance (2nd largest mortgage lender in India), Securities (largest stock brokerage in India), Real Estate and Power Generation with a combined net worth of more than \$ 5 billion. The businesses were restructured and Power and Infrastructure business were rechristened RattanIndia Group under the Chairmanship of Mr. Rajiv Rattan.

2. Past Remuneration: Nil from the Company.
3. Recognition or Awards : Please refer the background details

4. Job profile and his suitability : overall control of the operation of the Company. The Board of Directors of the Company feels that Mr. Rajiv Rattan would be the most efficient person to be appointed as an Executive Chairman of the Company.
5. 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.
5. 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 director.

**C. Other Information:**

- (1) Reasons of loss or inadequate profits : N.A
- (2) Steps taken or proposed to be taken for improvement : N.A
- (3) 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. Rajiv Rattan is not related to any other director of the Company.

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. 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

The Board of Directors recommends the resolution at Item No. 3 of this Notice for your approval

**Item no. 4:**

Mr. Brijesh Narendra Gupta (DIN: 08469815), aged 57 yrs, was inducted on the Board of Directors of the Company as an additional director with effect from July 16, 2022 in terms of Section 160 of the Companies Act, 2013 read with Companies (Appointment And Qualifications of Directors) Rules, 2014. Further in the same meeting he was subsequently appointed as the Managing Director of the Company for a period of five years with effect from the said date at the following terms and conditions:

Remuneration	(₹ per annum)
Basic	: ₹ 72,00,000/-
HRA	: ₹ 36,00,000/-
Other	: ₹ 72,00,000/-
PLI	: ₹ 20,00,000/-
Total	: <u>2,00,00,000/-</u>
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 is commensurate with the quantum and level of responsibilities of Mr. Brijesh Narendra Gupta and that the same should also receive the approval of the shareholders, in terms of the first proviso

to the Part A of Part II to Section II of the Schedule V to the Companies Act, 2013, in the event of inadequacy or absence of profits in any financial year during his tenure.

The Company has received a notice from a member of the Company in terms of Section 160 of the Companies Act, 2013, signifying his intention to propose the appointment of Mr. Brijesh as a director on the Board of Directors of the Company, liable to retire by rotation. It may be noted here that Mr. Brijesh's appointment as such would mean continuance of his appointment as the Managing 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.

Therefore, his appointment as a director of the Company liable to retire by rotation, in terms of resolution set out at item no. 4, shall be deemed to be continuation of his appointment as the Managing Director, of the Company, for the current tenure, if approved by the members.

Mr. Gupta 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 Managing Director of the Company. Mr. Gupta 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, 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. Brijesh Narendra Gupta by the Board of Directors, as the Managing Director of the Company for a period of five years with effect from July 16, 2022, at the remuneration fixed by the Board.

Accordingly approval of members by way of a special resolution set out at item no. 4 is sought.

None of the Directors or KMP of the Company except Mr. Brijesh Narendra Gupta, or their respective relatives is concerned or interested financially or otherwise in the Resolution at Item No.4 of the accompanying Notice.

Further the following information may also be taken note of with regard to the appointment/remuneration of Mr. Brijesh Narendra Gupta,

#### **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 the appointee:**

1. Background details: Mr. Brijesh Narendra Gupta is an alumnus of Visvesarya Regional College of Engineering and has over three decades of experience in industrial sector having worked in top organizations in Renewable, Steel, Mining and Commodities sector in India and abroad.  
  
In his earlier stints, Mr. Gupta has held leadership positions in Adani Enterprises, Essar Group, Welspun and Atha Group. Mr. Gupta has global experience having worked across geographies in USA, Middle East, Iran and the Indian-Subcontinent.
2. Past Remuneration: For remuneration paid to Mr. Brijesh Narendra Gupta during period from July 16, 2022 till date, please refer the managerial remuneration approved by the board, stated above.
3. Recognition or Awards : Please refer the background details
4. Job profile and his suitability : overall control and supervision of the operations and activities of the Company subject to and in coordination with the Chairman of the Company and its Board of Directors.
5. 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. Gupta, 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.

5. 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 director.

**C. Other Information:**

- (1) Reasons of loss or inadequate profits : N.A  
 (2) Steps taken or proposed to be taken for improvement : N.A  
 (3) 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, Finance, Economy

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

Mr. Gupta holds no other directorship. He is a member of Risk Management Committee of the Company. He was not a director of any listed company for last three years. He does not hold any shares in the Company.

The Board of Directors recommends the resolution at Item No. 4 of this Notice for your approval

**Item no. 5:**

Mr. Asim Kumar De (DIN: 03619507), aged 63 years, was inducted on the Board of Directors of the Company as an additional director with effect from November 03, 2021 in terms of Section 160 of the Companies Act, 2013 read with Companies (Appointment And Qualifications of Directors) Rules, 2014. Further in the same meeting he was subsequently appointed as the Whole Time Director of the Company for a period of five years with effect from the said date at the following terms and conditions:

Remuneration	(₹ per annum)
Basic	: ₹ 29,91,360/-
HRA	: ₹ 14,95,680/-
Other	: ₹ 30,12,960/-
Variable	: ₹ 24,99,996/-
Total	: ₹ 99,99,996/-
Gratuity	: As per Company Policy
Leaves and Leave encashment	: As per Company Rules
Other terms and conditions of service including notice period in his Grade	: As applicable to other employees

Your Directors are of the view that the above remuneration is commensurate with the quantum and level of responsibilities of Mr. Asim Kumar De and that the same should also receive the approval of the shareholders, in terms of the first proviso to the Part A of Part II to Section II of the Schedule V to the Companies Act, 2013, in the event of inadequacy or absence of profits in any financial year during his tenure.

The Company has received a notice from a member of the Company in terms of Section 160 of the Companies Act, 2013, signifying his intention to propose the appointment of Mr. De as a director on the Board of Directors of the Company, liable to retire by rotation. It may be noted here that Mr. Asim'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.

Therefore, his appointment as a director of the Company liable to retire by rotation, in terms of resolution set out at item no. 5, shall be deemed to be continuation of his appointment as the Whole Time Director of the Company, for the current tenure, if approved by the members.

Mr. Asim 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. De 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, 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. Asim Kumar De by the Board of Directors, as the Whole Time Director of the Company for a period of five years with effect from November 03, 2021, at the remuneration fixed by the Board.

Accordingly approval of members by way of a special resolution set out at item no. 5 is sought.

None of the Directors or KMP of the Company except Mr. Asim Kumar De, or their respective relatives is concerned or interested financially or otherwise in the Resolution at Item No. 5 of the accompanying Notice.

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

**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 the appointee:**

1. Background details: Mr Asim Kumar De is B. Tech. (Instrumentation) from Calcutta University and has four decades of experience in the field of Project construction, commissioning, operation & maintenance, planning of power plant, particularly in subcritical and supercritical power plants of 300MW, 500MW, 660MW and 825MW unit capacities, both standalone as well as integrated plant with coal mine of daily one lakh MT production capacity. Mr Asim Kumar De has spent 28 years with NTPC, 8 years with private sector in companies like Reliance Power and Tata Power. He has proven expertise in heading Power Plant operations and management of integrated Power plant and Coal mine on industry-best parameters and has been in leadership roles as Station Head, CEO and Director/ Member on the Board. Mr. Asim Kumar De is regarded as expert in numerous process improvements and cost savings initiatives across the entire domain of Power plant and mine operations and for streamlining processes / procedures to facilitate and enhance plant productivity.
2. Past Remuneration: For remuneration paid to Mr. Asim Kumar de during period from November 03, 2021 till date, please refer the managerial remuneration approved by the board, stated above.
3. Recognition or Awards : Please refer the background details
4. Job profile and his suitability : overall control and supervision of the operations and activities of the power plants of the Company.
5. 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. De, 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.
6. 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.

**C. Other Information:**

- (1) Reasons of loss or inadequate profits : N.A
- (2) Steps taken or proposed to be taken for improvement : N.A
- (3) 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. De is not related to any other director of the Company.

Mr. De holds no other directorship of any listed company. However he is the member of the Corporate Social Responsibility Committee of the Company. He was not a director of any listed company for last three years. He does not hold any shares in the Company. He is a non executive director of Sinnar Thermal Power Limited, a wholly owned subsidiary of the Company.

The Board of Directors recommends the resolution at Item No. 5 of this Notice for your approval

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 5 of this Notice.

#### Item No.6.

**Name of the Related Party and details of the transaction:** RattanIndia Enterprises Limited (hereinafter “REL”).

As the arrangement between the Company and REL, falls within the purview of a Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board And its Powers) Rules, 2014 and also Regulation 23 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, prior approval of the shareholders in this regard, would be required.

The relevant information about the proposed contract/arrangement is as follows:

**Name of the director or key managerial personnel who is related:** Mr. Rajiv Rattan

**Nature of relationship:** Mr. Rajiv Rattan, who is related to Promoter Group of the Company and its Non Executive Chairman & Director, is a promoter of REL. He is also the Executive Chairman of REL and a executive director thereof

**Material terms of the contract/ arrangement including the value and particulars of the contract:** The Company will be earmarking and offering its leased Land admeasuring approx. 421 Acres to the developers on a leave and license basis, for various commercial purposes.

REL would be responsible for arranging the developers (“Developers/Users”) for the project and also for the firm booking of the developed plots.

In consideration for the same, the Developers/Users shall pay the license fee/Usage fee (“Usage Fee”), which would be shared between REL and the Company in a pre-determined ratio of 75:25, for each financial year during the duration of the project.

As the Developers/Users will be identified in future and the Usage Fees will be finalised as agreed between REL and the potential Developer/User, it is not possible to estimate REL’s share of Usage Fee at this stage or the percentage of the counter party’s annual consolidated revenue.

**Tenure of the Contract:** 20 years, renewable for a further period of 5 years and thereafter for such additional period, as may be mutually agreed between the Company and REL.

**Justification:** The transaction will lead to an increase in the revenues of the Company. Company will be able to raise additional revenue source with no capital commitment and operation costs. Hence the transaction is in the best interest of the Company. The above information was placed before the Audit Committee and approved by them.

**Any other information relevant or important for the members to take decision on the proposed resolution:** None

The Audit Committee of the Company and its Board of Directors have accorded their approval to the proposed contract as aforesaid, subject to the same being approved by the shareholders of the Company by way of passing an ordinary resolution to such effect, before being effectuated, as mandated under Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As the said arrangement falls within the purview of a Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board And its Powers) Rules, 2014 and also Regulation 23 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, prior approval of the shareholders in this regard, would be required.

To the above effect, the resolution set out at Item No. 6 of the notice is accordingly proposed and recommended for the approval of the members by way of an ordinary resolution.

Except Mr. Rajiv Rattan, none of the other director or key managerial personnel of the Company and /or their relatives are or may be deemed to be concerned or interested financially or otherwise in the resolution.

**Item No. 7.**

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 2021-22, 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. 7 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. 7 of the accompanying Notice.

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

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

Place : New Delhi  
Date : September 7, 2022

**Registered Office:**

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

**RattanIndia**  
POWER

# ANNUAL REPORT 2021-22



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# Corporate Information

## BOARD OF DIRECTORS

1. Mr. Rajiv Rattan
2. Mrs. Namita
3. Mr. Jeevagan Narayana Swami Nadar
4. Mr. Sanjiv Chhikara
5. Mr. Sharad Behal
6. Mr. Yashish Dahiya (upto March 16, 2022)
7. Mr. Vibhav Agarwal (upto June 03, 2022)
8. Mr. Himanshu Mathur (upto November 03, 2021)
9. Mrs. Neha Poonia
10. Mr. Asim Kumar De (w.e.f November 03, 2021)
11. Mr. Brijesh Narendra Gupta (w.e.f July 16, 2022)

## BANKING AND FINANCIAL RELATION

Punjab National Bank

Canara Bank

Syndicate Bank

Bank of India

Kotak Mahindra Bank Ltd

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Lalit Narayan Mathpati

## CHIEF FINANCIAL OFFICER

Mr. Ankur Mitra

## STATUTORY AUDITORS

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

## SECRETARIAL AUDITORS

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

## COST AUDITOR

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

## INTERNAL AUDITOR

HVS & Associate  
Chartered Accountants  
(Upto for the FY ended March 31, 2022)  
KAPG & ASSOCIATES  
Chartered Accountants  
(w.e.f from the FY 2022 -23 onwards)

## REGISTRAR AND TRANSFER AGENT

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

## 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

When I had written last to you at the end of the earlier fiscal 2021, there was a feeling of guarded optimism in the air, of having gotten over the worst and with the country showing strong spurts of recovery – an anticipation that India was gearing up for a strong economic recovery with many forecasters like the International Monetary Fund expecting the economy to rebound with growth in excess of 9% for fiscal 2022.

However, outbreak of the Omicron and Delta strains of the Covid virus during fiscal and the subsequent outbreak of the war between Ukraine and Russia in February 2022 created jitters and increased the already existing global challenges such as galloping inflation, supply shortages and shifting alliances and realities in world geopolitics, with no definite end in sight.

While these have pushed institutions and forecasters to temper global growth expectations in light of deteriorating economic fundamentals, these risks have not been able to greatly impact the Indian growth story. The IMF expects India to still grow at about 8.2% in FY 2023, which would still make it the fastest growing economy in the world.

India continues to move on the path to sustained economic recovery, on the basis of the Government's vigorous drive across the country to deliver wide-reaching vaccinations for Covid-19, and supported by the Government's policies to improve infrastructure for logistics, incentives to facilitate industrial production and measures to improved farmers' income. This has resulted in strong domestic demand, with India's GDP growing at 8.9% in FY 2022. This in turn resulted in record demand for electricity as well in 2022, with daily demand rising by 40-45 GW, with the country recording its highest demand of 211.856 GW on 10<sup>th</sup> June 2022.

I write to you today with pride that, in spite of the headwinds being faced from the pandemic, the impact of the global conflict being faced, and difficulties that businesses across the country/globe have faced, fiscal 2022 continues to be an exciting and extra-ordinary year for your Company. Fiscal 2022 has been a very proud year in terms of our performance with your 1350MW Amravati Plant being rated as having been among the top performing plants in not only the state of Maharashtra but in the entire country, in spite of the strong headwinds faced in securing fuel in light of a prolonged monsoon and spiralling 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 2022 with an annual availability of 85.85%, and with an annual Plant Load Factor (PLF) of 75.10%.

Post successful restructuring, the Company has been meeting and successfully servicing its debt obligations (both principal and interest) before time, and by 30 June 2022, has repaid ₹ 2,530 Crores (including principal and interest), having now repaid 64% of the Company's total debt on its books as on 01 January 2020. This includes prepayment of ₹ 650 Crores, and has resulted in the total secured external debt outstanding (principal) having reduced to ₹ 1,474 Crores as on 30<sup>th</sup> June, 2022.

## Industry Developments:

In spite of the difficulties being faced by the Indian economy from the emergence of Omicron and the outbreak of the conflict between Russia and Ukraine in the last quarter of fiscal 2022, India continues to demonstrate robust growth, with its GDP expected to have grown by 8.9 percent. This growth story is expected to continue for the next year 2023, with the Indian Budget estimating GDP growth to be between 7.6% and 8.1% in real terms.

India Ratings and Research (Ind-Ra) has maintained a neutral outlook for the power sector for FY 2023, on the basis of expected growth in the overall PLF of thermal power plants to reach closer to 60%. This is, given the consistent growth in power demand and continued dependence on coal-based generation in the absence of any major increase in the capacity additions in any other sector except renewables. Furthermore, a lower-than-expected addition in FY 2023 in renewables would aid the PLF recovery of the thermal sector.

India's energy sector has witnessed multifaceted growth, buoyed by policy interventions, reforms and investments. Various initiatives taken by the Central Government in the past few years including 100% electrification of all households in the country under the SAUBHAGYA programme (under which the country provided 28.6 million new households access to electricity) and enhancement in the cross-country transmission connectivity, are now starting to bear fruit with a robust and significant growth in demand. India's demand for electricity continues to touch new highs, with the country touching an all-time high demand of 211.856 GW. In terms of supply side, India's total installed capacity of 404.13 GW continues to be dominated by the thermal sector, with more than 58% being contributed by thermal power plants.



**Rajiv Rattan**  
Chairman

## Chairman's Message (contd.)

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.

India's growth story in the power sector however continues to be dampened by the performance of its distribution sector, which has had cascading upward impact on the viability of the entire power sector. All sector players upstream including Independent Power Products (IPPs) like your Company continue to be inextricably linked to the viability of the Discoms. In spite of the numerous initiatives being taken by the Government of India to address the financial viability of the Discoms, including numerous schemes like the Discom Liquidity Scheme and the recently launched Reforms-based and Results-linked Revamped Distribution Sector Scheme with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution Sector, distribution in India continues to be dependent on Govt. support and subsidy.

In addition to the above, the Government of India has made several other interventions to improve the financial and operational efficiencies of DISCOMs including Liquidity Infusion Scheme (LIS), allowing for additional borrowing of 0.5% of GSDP to States linked to power sector reforms; introducing additional prudential norms for lending by Power Finance Corporation (PFC) Limited and REC Limited based on performance of utilities, to name a few. The Ministry of Power, in October 2021, also introduced the Electricity (Transmission Planning, Development and Recovery of ISTS Transmission Charges) Rules, 2021 to introduce the concept of General Network Access in transmission with an aim to enable power sector utilities easier access to electricity transmission network across the country.

The long-awaited changes to The Electricity Act 2003 too has not seen the light of day till date. The Electricity (Amendment) Bill 2021 however, aimed at enabling consumers to choose between multiple service providers just like in case of telecom services, has been table in the monsoon session. The Bill provides for de-licensing of the distribution business to promote competition, appointment of a member from law background in every commission, strengthening of Appellate Tribunal for Electricity (APTEL), and prescribes rights and duties of consumers, which will surely go a long way in improving the performance of the sector while strengthening the teeth for oversight both by regulators and by the end consumers.

### **Stellar performance in spite of the continued impact of the Pandemic:**

Your Amravati plant continued to be available at normative levels, to supply and meets 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 a favourable order from the Hon'ble Supreme Court of India on 14 February 2022 in the long standing dispute with MSEDCL, regarding recovery of additional costs of alternate coal in the past of ₹ 1,157 Crores, under which MSEDCL was directed to immediately pay 50% of the outstanding amount claimed by the Company. Payments under this have already started materialising, with MSEDCL having already paid ₹ 198.30 Crores in the month of April 2022. 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 terms of operations, the Company ended the fiscal year 2022 with a Plant Load Factor (PLF) of 75.10% 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 state's 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 fiscal ended 31 March 2022 has been the best till date, with the Company having more than tripled its Profit After Tax (PAT) when compared to the previous fiscal 2021. RPL has ended fiscal 2022 with an EBITDA of ₹ 1160.73 Crores and a Profit After Tax (PAT) of ₹ 348.13 Crores – considerably higher compared to the previous fiscal 2021 where it had ended the year with EBITDA of ₹ 988.23 Crores and Profit After Tax (PAT) of ₹ 96.71 Crores.

In addition to this, your Company continues to strive to improve its margins on a regular basis and the Company worked with its lenders to bring about a reduction in interest costs from 13.5% to 12.25 % for a part of its outstanding debt, resulting in considerable savings for the Company.

#### **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 operationalise the plant at the earliest.

#### **Impact of Covid-19 on your Company and our response:**

Our operations and HSE teams continue to work round-the-clock, by strictly enforcing risk mitigation protocols and SOPs including rigorous cleaning and sanitation of plant premises, regular health and wellness checks, and ensuring compliance with social distancing norms. As a result, we have been able to achieve a normative plant availability of at least 85% for the whole of the fiscal year 2021-22, in line with the provisions of our PPA with MSEDCL and ensure 100% recovery of our fixed costs.

#### **In 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 as the country continues to emerge out of the shadows of the pandemic. 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

## 1. SECTOR AND POLICY OVERVIEW

India's recent power sector has been guided by the need to provide universal access to affordable and reliable power to its consumers in a sustainable manner. India undertook and successfully completed the world's largest ever electrification programme, SAUBHAGYA, under which it provided access to 2.8 crores new consumers over the past 6 years. In addition to this, on the supply side too, there has been an addition of 139 GW of installed capacity and 1.41 lakh circuit kms of transmission network, thereby increasing the access to electricity across the various regions in the country.

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 Producers (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 urbanisation and industrialisation, 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 2022 increased by 6.7 percent to 203 GW while in energy terms, it increased by 8.2 percent to 1,380 billion units. India's demand for electricity too reached new heights, with the country registering a record maximum power demand of 211.856 GW on 10<sup>th</sup> June 2022.

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 organisation) 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 privatisation of the distribution sector in States and all Union Territories, a special one-time liquidity infusion of ₹ 90,000 Crores (that was subsequently further scaled up to ₹ 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 ₹ 3.06 trillion reforms-based and results-linked Revamped Distribution Sector Scheme.

## 2. INDIA'S FUTURE ELECTRICITY OUTLOOK

India is the world's third largest in terms of energy consumption, pushed by rising income levels, high rate of urbanisation and continuous improvement in the standards of living. This is clearly evident from the fact that energy use has doubled over the last 20 years since 2000, with 80% of the demand still being met by coal, oil and solid bio-mass. However, as with other key indicators like vehicle ownership, steel and cement outputs, India's energy use on a per-capita basis continues to be one-third of the world's average, resulting in huge un-materialised demand and a significant market for growth.

As India gradually recovers from a Covid-driven fall in demand in 2020, it is on the cusp of re-entering an extremely dynamic and exciting period in its energy sector development. Riding on a fast urbanising population, improving income levels and an aspiring middle-class, future demand for electricity continues to be strong, with millions of Indians set on purchasing

new air-conditioners, new appliances and vehicles. 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.

India's demand for electricity, which showed a significant fall in the wake of the onset of the pandemic in 2020, with peak demand showing a reduction of 30% and 15% in April and May 2020 respectively, has surged back to new heights. Demand for electricity has showed a strong recovery since September 2020, with peak demand touching new heights, crossing the 210 GW mark on 9<sup>th</sup> June 2022 and touching an all-time high of 211.856 GW on 10<sup>th</sup> June 2022. In spite of this, there is considerable scope for growth in demand. India's per capita demand for electricity continues to be low (1,208 kWh as on March 2020), being only one-third of the world's average of 3,500 kWh/year.

As per Central Electricity Authority (CEA) estimates, the electricity generation target of thermal, hydro, nuclear & Bhutan import for the year 2022-23 was fixed at 1459.373 BU comprising of 1257.388 BU Thermal; 150.661 BU Hydro; 43.324 Nuclear; and 8.000 BU Import from Bhutan. i.e. growth of around 10% over actual generation of 1328.44 BU for the previous year (2021-22).

### 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

Fuel forms approximately 55% - 60% of the total cost of delivered electricity. Hence, availability of quality coal at reasonable prices is one of the key components for the long term success of this sector. While the supply of domestic coal has improved over the past couple of years, Coal India Limited (CIL) continues to fall short of its intended targets over the past years, with domestic coal failing to keep pace with the growth in demand. As per the Economic Survey 2022, coal demand is expected to be 1.5 billion tonnes by 2030 – an increase of 63% from the present levels, with Coal India Limited (CIL) currently accounting for 80% of the domestic coal production. As a result, the nation has been importing considerable amount of coal from various nations, which has had a significant impact on the country's economy. However, with the recent increase in prices of imported coal, many power plants as well as industries, which were earlier dependent on imported coal, have now shifted their procurement from domestic sources, thereby putting additional pressure on power plants based entirely on domestic coal.

With an intent to make domestic coal production more efficient and market driven, the Government of India, in June 2020, allowed private participation in commercial coal production, which would further help in improving the availability and quality of coal in the country, at more competitive prices. However, the initial round of auctioning met with a muted response from the industry with nearly 75% of the 145 mines auctioned in the first three rounds not having found any interest from bidders and only 11 of the 99 mines in the fourth round eliciting interests from investors. With the Govt. envisaging operationalisation of 58 coal blocks for commercial / captive use during FY 2023 and a production of 138.28 million metric tonnes from these mines, coal availability is expected to improve.

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. With the Supreme Court order of 14 February 2022 allowing recovery of additional cost of alternate coal procured by the Company in the past, regulatory issues pertaining to pass-through of additional cost of coal, your Company expects quicker recovery of costs in the future on account of procurement of alternate coal to meet any shortfall, thereby enhancing liquidity.

In light of the expected shortfall in the production and availability of domestic coal to meet the growing demand for electricity, the Govt. had directed under Section 11 of the Electricity Act 2003 all coal-based power plants to import at least 10% of their total coal requirement for the purposes of blending for Q2, Q3 and Q4 of FY 2023. Your Company too has put in place plans to import coal to the tune of 30,000 MT for Q2 of FY 2023 through Coal India Limited. This will further enhance the availability of the Plant for the next fiscal 2023. While this additional cost will be allowed as a pass-thru under Change in Law by the Discom under the PPA on a weekly basis as per the framework notified by Ministry of Power, this would create additional pressure on the power producers in case of any delay in payment by the Discoms.

## 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 ₹ 3,040 billion between 2020 and 2025, under the National Infrastructure Pipeline, with state utilities expected to contribute to capex additions of about ₹ 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.

The performance of the Discoms continued to deteriorate with losses increasing to ₹ 59,000 Crores in FY 2022 compared to ₹ 34,000 Crores in FY 2020. This has also reflected in the dues payable to power producers having increased by 4.04 per cent from ₹ 1,17,026 Crores in May 2021 to ₹ 1,21,765 Crores in May 2022.

The Central Government continues to step in from time to time with schemes and financial assistance programmes to support the Discoms. Following up with the ₹ 90,000 Crore liquidity infusion scheme announced in May 2020 (which was subsequently increased to ₹ 1.35 lakh crores), the Union Government in June 2021, approved the Revamped Distribution Sector Scheme (a conditional Reforms-based and Result-linked scheme), with an outlay of ₹ 3,03,758 Crores, with an aim to improve operational efficiencies and financial sustainability for strengthening of supply infrastructure based on meeting pre-qualifying criteria.

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 an 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 programme 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 privatise the distribution business in 8 UTs in 2020 as part of the fourth tranche of ₹ 20 trillion stimulus package announced to address the economic fallout of the pandemic. Of these, 3 UTs 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 to 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 Realisation 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 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, become a major cause for financial stress and delayed recoveries of just dues from Discoms.

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 ₹ 1,500 Crores. 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 alternate coal due to failure of the coal companies to meet their commitment under the FSA to the tune of ₹ 1,157 Crores, in which the Hon'ble Supreme Court has order the Discom to immediately pay 50% of the Outstanding claimed amount, 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.

RPL 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.

## 4. BUSINESS REVIEW

Your Company has a well formulated strategy to tackle the challenges that the sector is facing currently. Both the plants of the Company have all key resources-viz., land, fuel linkage, water, financing arrangements, etc – in place. 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 85% 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 79% in the fourth quarter for FY 2022. 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.*

# Management Discussion and Analysis (contd.)

Your Company is also undertaking a holistic and organisation 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 a favourable order from the Hon'ble Supreme Court of India on 14 February 2020, where by MSEDCL was directed to pay 50% of the Outstanding claimed amount of ₹ 1,157 Crores claimed by RPL. MSEDCL has already paid ₹ 200 Cr in the month of Apr'22 and payment of balance amount is in process.

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.

Apart from 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 2021-22 with an EBITDA of ₹ 1,160.73 Crores and Profit After Tax (PAT) of ₹ 348.13 Crores, much higher when compared to FY 2020-21 with an EBITDA of ₹ 988.23 Crores and PAT of ₹ 96.71 Crores.

Your Company continues to strive to improve its margins on a regular basis. Post the successful completion of the One Time Settlement (OTS) of its debt with existing lenders on 31 December 2019, your Company continues to service its debt before time and has already paid ₹ 2,530 Crores towards debt servicing (including principal and interest) from January 2020 till June 2022, including pre-payment of ₹ 650 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 the 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 8 years now. This PPA has 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 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 from 5.49 MTPA to 6.103 MTPA, 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 comprises 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, 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 allocation from 5.49 MTPA to 6.103 MTPA, minimising the requirement to secure additional coal supplies to meet demand.

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 minimise associated costs.

### 6.4. Operating power plant at the highest 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 during the restrictions put in place nationally to address the containment of the spread of the pandemic, Amravati Plant put in place a comprehensive risk mitigation framework to address the pandemic, and ensured a safe, sanitised and healthy work environment to its employees and partners/vendors to ensure uninterrupted services of the Plant, ensuring 85% plant availability during FY 2022.

# Management Discussion and Analysis (contd.)

## 6.5. Climate Change:

The Company is sensitive about the climate change initiatives implemented worldwide as well as in our country and to contribute in 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. During the year, the Company has partnered with the world's leading experts to bring in a culture of performance oriented and results-linked Performance Management System to appropriately reward and incentivise its employees based on performance and individual goals, linked to the overall goals of the organisation.

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, 2022 was 524.

## 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

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 best practises.

## 10. PERFORMANCE HIGHLIGHTS

### 10.1. Operational Performance:

During FY 2021-22, in spite of the difficulties faced by the economy and businesses under the restrictions imposed in light of the pandemic, the Amravati Thermal Power Project achieved an annual plant availability of 85.85% and Plant Load Factor (PLF) of 75.10% as against the previous year's availability of 100% and PLF of 23.98% respectively. As a result, the Company could realise 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 79% in the last quarter of FY 2022 and an annual PLF of 75.10% for the whole of FY 2022. 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 8,156.86 million units (MU) of electricity to MSEDCL during the financial year under its long term PPA, compared to 2,597.62 million units in the previous fiscal.

## 10.2 Financial Performance:

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Generation Sales (MU)	8156.864	2,597.62	2,904.83
Net Sales (₹ Crores)	3,259.52	1,559.86	1,773.88
PBT (₹ Crores)	348.13	96.71	(768.70)*

\*excluding exceptional items

## 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 2021-22	FY 2020-21	
1	Debtors' Turnover	Revenue/ Average trade receivables	1.37	0.79	Due to increase in revenue
2	Inventory Turnover	Cost of material consumed/ Average value of inventory	11.38	1.59	Due to increase in consumption on account of higher Plant Load Factor (PLF) as compared to previous year (PLF)
3	Interest Coverage Ratio	Earning before interest and tax/ Interest Expense	1.59	1.15	Due to increase in EBITDA and reduced interest cost
4	Current Ratio	Current assets/ Current liabilities	1.66	3.33	Current portion of Long term borrowings has resulted in decline in ratio
5	Debt Equity Ratio equity	Total debt*/ Shareholder's equity	0.83	1.00	
6	Operating Profit Margin (%)	Earning before interest and tax/ Revenue	28.66%	48.77%	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	10.68%	6.20%	Due to increase in profit and revenue
8	Return on Networth (%)	Net profits after taxes/ Average shareholder's equity	6.82%	2.00%	Due to increase in profit

\*total debts excluding lease liability.

Further please refer note 45 of financial statements also.

## 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 on the basis of 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, 2022

Return on net worth has increased to 6.82% from 2.00% due to increase in total revenue during FY 21-22.

# Board's Report

Dear Shareholders,

Your Directors present to you Fifteenth Annual Report and the Audited Statement of Accounts of the Company for year ended March 31, 2022.

## FINANCIAL RESULTS

(₹ In lakhs)

Particulars	Standalone		Consolidated	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Revenue</b>				
Revenue from operations	325,951.86	155,986.12	325,951.86	155,986.12
Other income	35,322.27	61,650.53	40,964.09	107,429.51
	<b>361,274.13</b>	<b>217,636.65</b>	<b>366,915.95</b>	<b>263,415.63</b>
<b>Expenses</b>				
Cost of fuel, power and water consumed	224,810.96	72,685.17	225,098.68	73,002.86
Employee benefits expense	4,922.16	3,885.47	5,003.62	7,899.98
Finance costs	58,588.59	66,400.61	234,178.67	224,069.07
Depreciation and amortisation expense	22,671.04	22,750.74	41,445.32	41,551.90
Other expenses	15,467.77	42,244.32	15,560.66	11,077.39
	<b>326,460.52</b>	<b>207,966.31</b>	<b>521,286.95</b>	<b>357,601.20</b>
<b>Loss before tax and exceptional items</b>	<b>34,813.61</b>	<b>9,670.34</b>	<b>(154,371.00)</b>	<b>(94,185.57)</b>
Less: Exceptional item	-	-	43,773.00	-
<b>Loss before tax</b>	<b>34,813.61</b>	<b>9,670.34</b>	<b>(198,144.00)</b>	<b>(94,185.57)</b>
<b>Tax expense:</b>				
Current tax	-	-	-	0.71
Deferred tax	-	-	-	-
<b>Loss for the year</b>	<b>34,813.61</b>	<b>9,670.34</b>	<b>(198,144.00)</b>	<b>(94,186.28)</b>
<b>Other comprehensive income</b>				
A. Items that will not be reclassified to profit or loss				
i) Re-measurements of defined benefit plans	(59.40)	(3.26)	(51.72)	558.88
B. Items that will be reclassified to profit or loss				
i) Exchange differences in translating the foreign operations	-	-	(3.93)	3.01
<b>Other comprehensive income for the year</b>	<b>(59.40)</b>	<b>(3.26)</b>	<b>(55.65)</b>	<b>561.89</b>
<b>Total comprehensive loss for the year</b>	<b>34,754.21</b>	<b>9,667.08</b>	<b>(198,199.65)</b>	<b>(93,624.39)</b>
<b>Loss for the year attributable to:</b>				
Owner			(198,144.00)	(94,160.86)
Non-controlling interest			-	(25.42)
			<b>(198,144.00)</b>	<b>(94,186.28)</b>
<b>Other comprehensive income for the year attributable to:</b>				
Owner			(55.65)	561.89
Non-controlling interest			-	-
			<b>(55.65)</b>	<b>561.89</b>
<b>Total comprehensive loss for the year attributable to:</b>				
Owner			(198,199.65)	(93,598.97)
Non-controlling interest			-	(25.42)
			<b>(198,199.65)</b>	<b>(93,624.39)</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	(9,349.50)	(44,103.71)	(803,190.53)	(599,521.26)
Earnings per equity share				
Basic (₹)	0.65	0.19	(3.69)	(1.88)
Diluted (₹)	0.65	0.19	(3.69)	(1.88)

## TRANSFER TO RESERVE

The Board of Directors has decided to retain the entire amount of profits for FY22 in P&L account and the total Profit of ₹ 347.54 Crore for the FY ended 2022 has been transferred to Retained Earnings.

## COMPANY PERFORMANCE

The Company has posted highest ever total revenue of ₹ 3,613 Crore (66% increase in FY 22 vs FY 21). Profit after Tax was recorded at ₹ 348 Crore vs ₹ 97 Crore (increase of 260% in FY 22 vs FY 21).

The Company continues to demonstrate superlative financial performance

	FY 22	FY 21
EBITDA (₹ Crore)	1160.73	988.23
PAT (₹ Crore)	348.13	96.71

The Amravati Plant of the Company is amongst the top ranked plants in Maharashtra having achieved 75% Plant Load Factor (PLF) and 86% Availability during FY 2021- 22, amidst acute coal shortages faced across country. In FY 22, Amravati Plant of the Company successfully received and unloaded highest ever railway rakes (1415 nos. i.e. daily average of 4 rakes since commissioning of the plant.

The Company continues to timely service its debt obligations, having paid ₹ 2,530 Crore (principal and interest) since Jan 2020 till June 30, 2022, including ₹ 650 Crore as prepayment.

Secured External Term Debt principal o/s stands reduced at ₹ 1,474 Crore as on June 30, 2022 against Networth of ₹ 5,277 Crore as on 31 March 2022.

Amravati Power Plant has been reporting steady financial performance since its commissioning in 2015 :

Year	Total Revenue (₹ Crore)	EBITDA (₹ Crore)	PAT (₹ Crore)
FY 2016	2640	1281#	-108
FY 2017	1504	1116#	- 321
FY 2018	2239	1100#	- 418
FY 2019	2089	1105#	-2792
FY 2020*	1994	3480	1899
FY 2021	2176	988	97
FY 2022	3613	1161	348

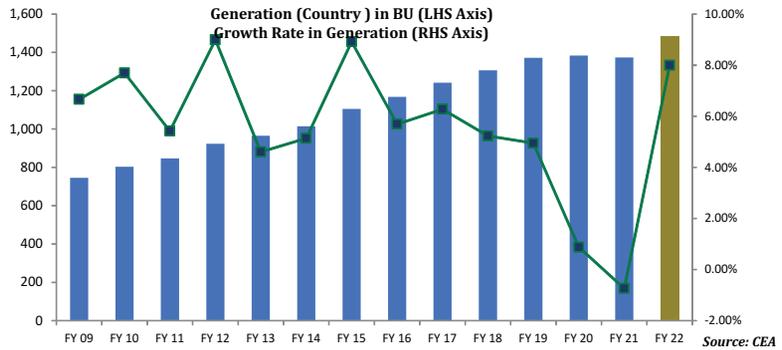
# as per IGAAP

\* Includes impact of OTS

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

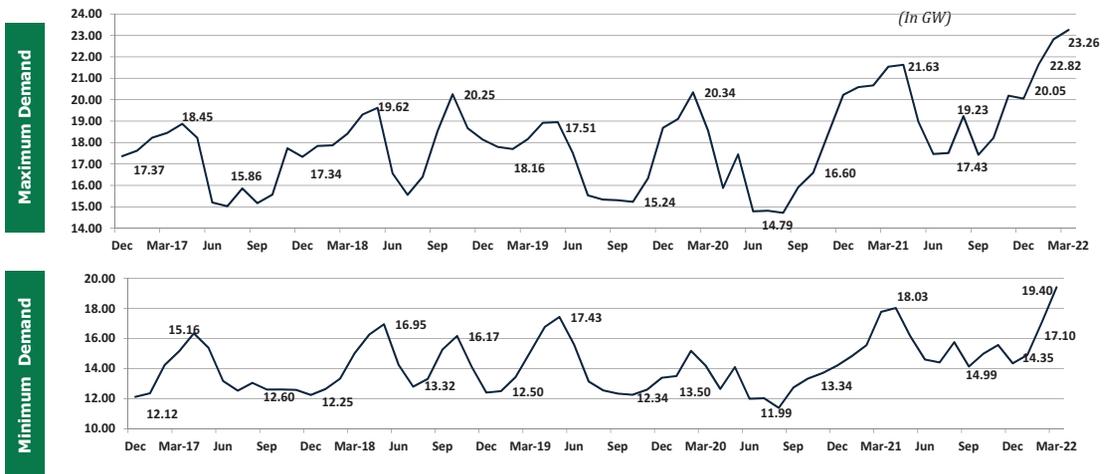
## Generation trend of India

Generation Country - (BUs)		
All India	Total	% Growth
FY 10	803	7.69%
FY 11	847	5.42%
FY 12	923	8.99%
FY 13	965	4.61%
FY 14	1,015	5.14%
FY 15	1,105	8.92%
FY 16	1,168	5.69%
FY 17	1,242	6.28%
FY 18	1,307	5.23%
FY 19	1,371	4.95%
FY 20	1,383	0.88%
FY 21	1,373	(-0.74%)
FY 22	1,484	8.10%



- Country has observed robust generation growth – CAGR of above 5% for last 13 years; however, growth rate has increased to 8% for FY 22 as compared to corresponding period of FY 21.
- On an overall basis, country has recorded highest ever generation in FY 22.
- All India electricity consumption increased by 8% in FY 22 (vs. FY 21), clearly indicating growth of economic & business activity, as against negative growth in FY 21 on account of COVID 19 impact
- In FY 22, all India generation was 1,484 billion units (BUs), of which 171 BUs (i.e., only ~12%) was from Renewable Energy Sources 'RES' (Wind+Solar). Further, the total installed capacity of RES of 110 GW is about 28% of the total installed capacity of 399 GW. Thermal coal-based power plants will continue to be the backbone of the electricity generation in the country

## Demand trend of MSEDCL



Unprecedented increase in power demand observed by MSEDCL in FY 22 in line with the growth momentum in economic activities across the country post re-opening after Covid-19 impact

Source: CEA, MSLDC

There was no change in the nature of business of the Company during the year.

## BUSINESS REVIEW

We are committed to ensure that India possesses adequate power supply, as India is among the largest electricity consumers in the world and yet its per capital consumption is less than a third of the global average. The Company is powered by the faith bestowed by the stakeholders.

Your Company has a well formulated strategy to tackle the challenges that the power sector is facing currently. Both the plants of the Company have all key resources-viz., land, fuel linkage, water, financing arrangements, etc in place. 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.

Fiscal 2022 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 in the state of Maharashtra but in the entire country, in spite of the strong headwinds faced in securing fuel in light of a prolonged monsoon and spiralling 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 2022 with an annual availability of 86%. 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 79% in the fourth quarter for FY 2022. 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.

The Company continues to strive to improve its margins on a regular basis. Towards this end, the Company worked with its Lenders to bring about a reduction in annual interest costs from 13.5% to 12.25% for a part of its outstanding debt, resulting in considerable savings for the Company. Further Company has recently secured a non-fund limits of ₹ 250 crore from one of the leading private sector lenders in the country.

Your Company is also undertaking a holistic and organisation 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 a favourable order from the Hon'ble Supreme Court of India on 14 February 2022, where by MSEDCL was directed to pay 50% of the outstanding amount of ₹ 1,157 Crores claimed by the Company. MSEDCL has already paid ₹ 200 Crore in the month of Apr' 22 and payment of balance amount is in process.

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. Further MERC vide Order dated 08.07.2022 directed MSEDCL to immediately pay the undisputed amounts towards the reimbursement of Evacuation Facility Charges levied on coal and complete the scrutiny process of claimed amount (including carrying cost to be calculated at LPS rate) within 15 days from the date of Order and pay balance amount. As the impact of this Change in Law is of recurring nature, Commission also allowed RPL to claim actual impact on monthly basis.

Apart from 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 financial year 2021-22 with an EBIDTA of ₹ 1,160.73 Crores and Profit After Tax (PAT) of ₹ 348.13 Crores, much higher when compared to FY 2020-21 with an EBIDTA of ₹ 988.23 Crores and PAT of ₹ 96.71 Crores .

Your Company continues to strive to improve its margins on a regular basis. Post the successful completion of the One Time Settlement (OTS) of its debt with existing lenders on 31 December 2019, your Company continues to service its debt before time and has already paid ₹ 2,530 Crores towards debt servicing (including principal and interest) from January 2020 till June 2022, including pre-payment of ₹ 650 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 the Sinnar Thermal Power Limited, and is in active discussion with lenders and other stakeholders.

## 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

## Board's Report (contd.)

(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) Mr. Yashish Dahiya, an Independent Director of the Company, ceased to be the Director/Independent Director of the Company w.e.f March 16, 2022.
- (ii) Mr. Himanshu Mathur, Whole Time Director of the Company ceased to be the director/Whole Time Director of the Company w.e.f. November 03, 2021.
- (iii) In terms of Section 160 of the Companies Act, 2013 and rules made thereunder and upon the recommendation of Nomination and Remuneration Committee Mr. Asim Kumar De was appointed Whole Time Director of the Company for a period of five years w.e.f. November 03, 2021, following his induction as an additional director on the Board of the Company with effect from such date.

Post closure of the financial year :

- (i) Mr. Vibhav Agarwal, who had been appointed as the Managing Director of the Company on November 09, 2020 demitted his office as such, on June 03, 2022 and
- (ii) Mr. Brijesh Narendra Gupta (DIN: 08469815) in terms of Section 160 of the Companies Act, 2013 and rules made thereunder and upon the recommendation of Nomination and Remuneration Committee was appointed Managing Director of the Company for a period of five years w.e.f. July 16, 2022, following his induction as an additional director on the Board of the Company with effect from such date.
- (iii) Board of Directors in their meeting held on August 31, 2022 appointed Mr. Rajiv Rattan, a part of the Promoter Group, currently a non-executive Chairman, as an Executive Chairman of the Company for a period of five years with effect from October 1, 2022, based on the recommendation of the Nomination & Remuneration Committee and subject to approval by the members at the ensuing AGM.

Since induction of Mr. Asim Kumar De and Mr. Brijesh Narendra Gupta, on the Board of Directors of the Company ("Board") was as additional directors, their appointment as such would come to an end on the date of the ensuing Annual General Meeting (AGM) of the Company. The appointment of Mr. Asim Kumar De and Mr. Brijesh Narendra Gupta, as directors of the Company liable to retire by rotation by the shareholders in this AGM, would mean a continuation of their term as the Whole Time Director and Managing Directors, respectively, of the Company, for the tenure approved by the Board. Further appointment of Mr. Rajiv Rattan as an executive Chairman of the Company with effect from October 01, 2022, on the terms, conditions and remunerations approved by the Board, is subject to the approval of the shareholders.

The matters as to (a) reappointment of Mr. Rajiv Rattan, as a director of the Company liable to retire by rotation (b) appointment of Mr. Asim Kumar De as the director of the Company liable to retire by rotation and approval from shareholders to his appointment by the Board of Directors, as the Whole Time Director, for a period of five years effective from November 03, 2021 (c) appointment of Mr. Brijesh Narendra Gupta as the director of the Company liable to retire by rotation and approval from shareholders to his appointment by the Board of Directors, as the Managing Director, for a period of five years effective from July 16, 2022, and (d) appointment of Mr. Rajiv Rattan as an Executive Chairman as aforesaid, have accordingly been included in the notice convening the annual general meeting of the Company for the financial year 2021-22, for the approval of the members of the Company.

Your approval is accordingly sought to (i) reappointment of Mr. Rajiv Rattan, as a director of the Company liable to retire by rotation (ii) the appointment by the Board of Directors, of Mr. Asim Kumar De as the Whole Time Director of the Company, for a period of five years w.e.f. November 03, 2021, the said term being renewable for a further period of five years upon each expiry, at the remuneration and other terms and conditions approved by the Board, (iii) the appointment by the Board of Directors, of Mr. Brijesh Narendra Gupta as the Managing Director of the Company, for a period of five years w.e.f. July 16, 2022, the said term being renewable for a further period of five years upon each expiry, at the remuneration and other terms and conditions approved by the Board and (iv) Appointment of Mr. Rajiv Rattan as an Executive Director of the Company with effect from October 1, 2022, of the company on the terms, conditions and remunerations approved by the Board.

The detailed profile of the Directors seeking appointment is given in the explanatory statement accompanying notice to AGM and additionally in the Corporate Governance Report forming part of the Annual Report.

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 ₹ 12,00,000/- to each of the three Independent Directors namely Mr. Yashish Dahiya,

Mr. Sharad Behal and Mr. Jeevagan Narayana Swami Nadar, pursuant to an approval of the shareholders in the 14th annual general meeting held on September 21, 2021.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31.03.2022 were: Mr. Vibhav Agarwal, Managing Director, Mr. Asim Kumar De, Whole Time Director, Mr. Ankur Mitra, Chief Financial Officer, and Mr. Lalit Narayan Mathpati, Company Secretary.

### DECLARATIONS FROM INDEPENDENT DIRECTORS

In terms of Section 149 of the Act, Mr. Sanjiv Chhikara, Mr. Sharad Behal, Mr. Jeevagan Narayana Swami Nadar and Mrs. Neha Poonia were the Independent Directors of the Company as on March 31, 2022 and are also as on date. 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 (d) that 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.

As required under Regulation 25(7) of Listing Regulations, the Company has programmes for Familiarisation for 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 for 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/rpl/appointment-of-director-and-kmp/>

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 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

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors.

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, which shall be taken into account at the time of appointment of Independent Director.

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 participated.

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 Board,

## Board's Report (contd.)

Performance of the Board as a whole and its Members and other required matters.

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 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.

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.

### MEETINGS OF THE BOARD OF DIRECTORS

During the year under review 7 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 13, 2021, 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, 2022, consists 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.

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/rpl/csr-policy/>. 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 Rules 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 2021-22, which form 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 without the consent of the shareholders . 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 22 and, hence, the same is not required to be provided.

The proposals with respect to Material Related Party Transactions with RattanIndia Enterprises Limited is being placed before the Members at the forthcoming AGM for their approval.

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

Please refer note 38 of the financial statement, for details of the loans and advances, pursuant to and in terms of the provisions of Schedule V Para C clause (10)(m) of the Listing Regulation, which are in the nature of loans and advances to firms/companies in which directors are interested.

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

Internal financial controls of the Company are commensurate with the nature and size of business operations. 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;
- (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, pursuant to the amendment in such regulations notified by SEBI on May 5, 2021, a Risk Management Committee was constituted by the Board of Directors on June 18, 2021 comprising of Mr. Rajiv Rattan - a Non-Independent Director as the Chairman, Mr. Vibhav Agarwal, Managing Director, Mrs. Neha Poonia - an Independent Director and 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. Mr. Vibhav Agarwal ceased to be the members of the Committee w.e.f June 03, 2022. The Risk Management Committee was reconstituted by the Board on July 16, 2022 and Mr. Brijesh Narendra Gupta, Managing Director was included as a new member of the Committee.

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/)

### **PUBLIC DEPOSITS**

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

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

Full particulars of the loans given, guarantees extended or securities provided and the investments made by the Company in various bodies corporate in terms of the provisions of Section 186 of the Companies Act, 2013 and the rules framed thereunder have been adequately described in the notes to Financial Statements. The same are in consonance the provisions of the aforesaid section.

# Board's Report (contd.)

## 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, 2022 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 2021-2022. The "Dividend Distribution Policy" formulated in terms of and pursuant to the Regulation 43A of the Listing Regulations, forms part of the Annual Report, is available on the website of the Company: <https://www.rattanindiapower.com/wp-content/uploads/2022/08/dividend-distribution-policy.pdf>

## MATERIAL CHANGE AND FINANCIAL COMMITMENT

Apart from the information provided/disclosures made elsewhere in the Directors' Report including Annexures thereof, 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, 2022 till date of this Report.

## SHARE CAPITAL

During the Financial Year 2021-22, there is no change in the Issued and Paid-up share capital. The paid up share capital of the Company as on March 31, 2022 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 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.

## EMPLOYEE HEALTH & SAFETY

The end of the financial year 2020 was marked by the COVID-19 crisis which not only impacted livelihoods but also lives as well, and this crisis has extended for a period beyond a year. Your Company swung into action by forming a dedicated team with the primary objective to focus on the health and safety of employees and their family members through interventions as appropriate which included measures such as "Work from Home" policy, access to qualified medical practitioners etc.. Your Company continues to monitor the well-being of its workforce and has taken several measures to engage with and provide timely support to the families that were affected by the pandemic.

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

The Company doesn't have any holding company. The executive director 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, 2022 is available on the Company's website on <https://www.rattanindiapower.com/rpl/annual-return-section-92-of-companies-act-2013/>

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2022, your Company had five Indian subsidiary companies, out of which two, Diana Energy Limited and Devona Power Limited, are struck off as on date and three foreign subsidiaries. Post closure of the financial year, one stepdown India

subsidiary company, Sinnar Power Transmission Company Limited, cease to be as such.

The Company does not have any associate, nor is it in joint venture with any other entity.

In accordance with Section 129(3) of the Act, the Company has prepared Consolidated Financial Statements incorporating the Financial Statements of all Subsidiaries, which form part of the Annual Report.

A report on the performance and financial position of each of the subsidiaries has been provided in Form AOC-1 as per Section 129(2) of the Companies Act, 2013 (the Act).

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

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/rpl/appointment-of-director-and-kmp/> 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](https://www.rattanindiapower.com) at the link <https://www.rattanindiapower.com/wp-content/uploads/2022/08/VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY-1.pdf>

### BUSINESS RESPONSIBILITY REPORT

The Regulation 34 of the Listing Regulations mandate the inclusion of the Business Responsibility Report (BRR), describing the initiating taken by the listed entity from an environmental, social and governance perspective, as part of the Annual Report for the top 1,000 listed entities based on market capitalization. In compliance with the said regulation, we have integrated BRR 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)

# Board's Report (contd.)

## 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's 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/rpl/employee-benefits-and-sweat-equity-regulations-esop/>

## 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 Chandio & 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 :

"The Company has a non-current investment of ₹ 1,211.82 crore (net of impairment provision of ₹ 1,814.40 crore) [Previous Year - ₹ 1,211.82 crore (net of impairment provision of ₹ 1,814.40 crore)] and inter corporate deposits (classified under current assets) of ₹ 26.05 crore [Previous Year - ₹ 26.05 crore] recoverable from Sinnar Thermal Power Limited (formerly RattanIndia Nasik Power Limited) (STPL), a wholly owned subsidiary of the Company, as at 31 March 2022. The subsidiary company has incurred losses since its inception and is yet to commence operations. The accumulated losses in the subsidiary company amount to ₹ 9,595.60 crore as at 31 March 2022, and the management of the subsidiary company has determined that a material uncertainty exists as at 31 March 2022, that may cast significant doubt about the subsidiary company's ability to continue as a going concern. The management of the Company, based on an internal estimate, has recorded an impairment of ₹ 1,814.40 crore against carrying value of investment in STPL in earlier years. In the absence of adequate and appropriate evidence for such impairment assessment performed by the management and to support the appropriateness of the going concern assumption, 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 crore and inter corporate deposits of ₹ 26.05 crore as at 31 March 2022 and the consequential impact thereof on the accompanying Statement".

Further the Statutory Auditors of the Company have given following qualification on the consolidated financial statement :

"Sinnar Thermal Power Limited (STPL), a wholly-owned subsidiary company, is yet to commence operations and has incurred a net loss amounting to ₹ 497.00 crore and ₹ 2,419.19 crore during the quarter and year ended 31 March 2022 respectively. Further, STPL's accumulated losses as at 31 March 2022 amounted to ₹ 9,595.60 crore and its current liabilities exceed its current assets by ₹ 10,357.89 crore as of that date. STPL has also defaulted in repayment of borrowings from banks, including interest, aggregating to ₹ 9,204.52 crore up till 31 March 2022. These conditions along with other matters including termination of Letter of Intent ('LOI') by Maharashtra State Electricity Distribution Co. Ltd (MSEDCL) in respect of LOI earlier issued by MSEDCL to

enter into a power purchase agreement with STPL and withdrawal of the petition filed before Maharashtra Electricity Regulatory Commission (MERC) by STPL, as set forth in such note, indicate the existence of material uncertainty that may cast significant doubt about the STPL's ability to continue as a going concern. The management is of the view that going concern basis of accounting for STPL is appropriate owing to the mitigating factors mentioned in the aforesaid note and that no adjustments are necessary to the carrying value of the assets, including property plant and equipment, Capital-work-in-progress of STPL aggregating to ₹ 7,757.98 crore as at 31 March 2022, as included in the accompanying Statement.

However, in the absence of sufficient evidence for the aforesaid assessment performed by the management including the uncertainty over the outcome of ongoing discussions with the lenders to secure firm and unconditional commitment for providing working capital loans /bank guarantees required for executing the PPA, we are unable to obtain sufficient appropriate evidence to comment on the appropriateness of going concern assessment of STPL by the management or adjustments, if any, that may further be required to be made to the carrying value of the assets, including property plant and equipment of STPL as at 31 March 2022 and the consequential impact thereof on the accompanying Statement".

No frauds has been reported by the Statutory Auditor, details of which are required to be disclosed u/s 143(12) of the Act.

### MANAGEMENT RESPONSE ON STATUTORY AUDITOR QUALIFICATION/COMMENTS

Please refer Point No. 12(D) of the Corporate Governance Report on page 68 of Annual Report.

### AUDIT COMMITTEE

The Audit Committee as on March 31, 2022 comprised of four members namely, Mr. Jeevagan Narayana Swami Nadar who is also the Chairperson of the Committee, Mrs. Neha Poonia, Mr. Sanjiv Chhikara, Independent Directors and Mr. Rajiv Rattan, a non-independent director. 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 2021-22.

A proposal for ratification of remuneration of the Cost Auditors for the financial year 2021-22 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 2021-22 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report for the financial year ended March 31, 2022, 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, 2022, the applicable accounting standards had been followed and there were no material departures from the same;

## Board's Report (contd.)

- 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 31<sup>st</sup> March, 2022 and the profits/loss of the Company for the year ended on that date;
- 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;
- the Directors had prepared the Annual Accounts of the Company on a 'going concern' basis;
- 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
- 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 2021-2022.

### **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.

### **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 2022-2023, 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 2021-22.

### **GREEN INITIATIVES**

This year too, Annual Report and the notice of the 15<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**

Place: New Delhi  
Date: August 31, 2022

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

# Annexure 'A' to Board's Report

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-2022

### 1. A brief outline of the 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 aimed at welfare and well-being of the society 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, 2022:

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	Mr. Himanshu Mathur (upto November 03, 2021)	Member/ Whole Time Director	Nil	Nil
3	Mrs. Namita	Member/Director	Nil	Nil
4	Mr. Asim Kumar de (w.e.f. November 03, 2021)	Member/ Whole Time Director	Nil	Nil

### 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/rpl/csr-policy/>

### 4. Provide the details 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 (attach the report) : Not Applicable

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : Not Applicable

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
	Total		

### 6. 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

### 7. (a) 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

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c) : Not Applicable

### 8. (a) 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

**(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation -Direct (Yes/No)	(11) Mode of Implementation -Through Implementing Agency	
				State	District						Name	CSR Registration number
1.												
2.												
3.												
	<b>Total</b>											

**(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)		(5) Location of the project	(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
			State	District				Name	CSR registration number
1.									
2.									
3.									
	<b>Total</b>								

**(d) Amount spent in Administrative Overheads : Nil**

**(e) Amount spent on Impact Assessment, if applicable : Not Applicable**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Nil**

**(g) Excess amount for set off, if any : Not Applicable**

Sl. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	
(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)]	

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

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.							
2.							
3.							
	<b>Total</b>						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project- Completed / Ongoing
1								
2								
3								
	<b>Total</b>							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : Not Applicable

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) : Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset : Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : The Company has, at an average, been at a loss, for the last three financial years.

Sd/-  
Asim Kumar De  
(Whole Time Director)  
DIN: 03619507

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

**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 : Refer to the Board's Report, page 23 of the Annual Report for FY 2022

**A. Relevant disclosures in terms of the '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 35 of the financial statement for the year ended March 31, 2022

**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 35 of the financial statement for the year ended March 31, 2022

**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 2021-22, there was no variation in Scheme.	During the year 2021-22, there was no variation in Scheme.	During the year 2021-22, there was no variation in Scheme.

ii. **Method used to account for ESOS : Fair Value**

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

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

### 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) -2011 (Formerly INDIABULLS POWER LIMITED- Employee Stock Option Plan-2011)
Number of options outstanding at the beginning of the period	300,600	75,200	87,000
Number of options granted during the year	-	-	-
Number of options forfeited/lapsed during the year	2,98,200	54,800	27,000
Number of options vested during the year	-	-	12,000
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	2,400	20,400	60,000
Number of options exercisable at the end	2,400	20,400	60,000

**v. a. Weighted average exercise prices**

Following summarizes the information about stock options outstanding as at March 31, 2022:

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.	Weighted average exercise prices of stock Options (in ₹)	10.00	14.00	12.00
	- outstanding at the beginning of the year	300,600	75,200	87,000
	- granted during the year	-	-	-
	- forfeited/cancelled during the year	2,98,200	54,800	27,000
	- exercised during the year	-	-	-
	- outstanding at the end of the year	2,400	20,400	60,000
	- exercisable at the end of the year	2,400	20,400	60,000

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

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.	Weighted average fair value of options			

**vi. Employee wise details of options granted during the year 2021-22:**

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

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)

- 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

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

- vii. Methods and Significant assumptions made during the year to estimate the fair value of options:** Please refer note no 35 of the financial statement for the year ended March 31, 2022
- 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 is totally committed to efficient plant operation & energy conservation in its Power Plants. The Company has already taken many steps for Energy Conservation in the past. New measures undertaken this year are as below:**

1. Optimization of CW pumps running by stopping of 2 nos. of CW Pumps (1600 KW Motor) out of 10 in winter season by interconnecting CW header of all the five units through interconnection valves resulting in saving of 81.6 lakh Units of power consumption per year.
2. Arresting of leakage of compressed air and implementation of auto start logic resulting in running of 2 No's of Compressors only in place of 5 Nos. as designed for all 5 units in operation. By doing this we are saving around 48 lakh units of power consumption per year.
3. Optimization of IDCT Fans - During back down condition and lower ambient temperature, 4 No's of IDCT fans per unit out of total 14 No's have been stopped to reduce auxiliary power consumption without compromising on unit efficiency resulting in saving of 91.7 lakh Units of power consumption per year.
4. By running only 1 no. of Cooling water pump for compressor out of 3 by charging compressor cooling line through main CW pump header, we have been able to restrict the need of compressor CT fan resulting in saving of 6.3 lakh Units of power consumption per year.
5. Optimization of Feed Control Station (FCS) Differential Pressure by minimizing the throttling pressure loss across FCS station resulting in saving of 1.8 lakh Units of power consumption per year.
6. With revised technical minimum running load guidelines, FD Fan air optimization carried out for operating during back down/technical minimum load conditions resulting in saving of 28 lakh Units of power consumption per year.
7. Optimization in Plant and township Lighting power consumption by replacement of 4000 conventional lights by LED resulting in saving of 8.8 lakh Units of power consumption per year. Expenditure incurred against replacement activities is around ₹ 12 lakhs.
8. Hot well makeup pump stopped in all Units and makeup is now being done by gravity resulting in saving of 5.6 lakh Units of power consumption per year.
9. Running of only 1 no. Light Diesel Oil (LDO) forwarding pump out of 07 Nos, by interconnecting the header & implementing auto run logic on low discharge pressure resulting in saving of 1.4 lakh Units of power consumption per year. Expenditure incurred against replacement activities is around ₹ 5 lakhs.
10. Reduction of current consumption by almost 25 amps achieved by replacement of Cartridge of Boiler Feed Pump (BFP) 3B resulting in huge saving of 18.6 lakh Units of power consumption per year. Expenditure incurred against replacement activities is around ₹ 150 lakhs.
11. Initially, 2 nos. of 45 KW Auxiliary Oil Pumps (AOP) used to run continuously drawing total of 110 Amp. Now, after replacement of motor by higher capacity i.e. 45 KW to 55 KW and in house fabrication and modification of base frame of AOP 5B, only 1 no. AOP pump is in service which is drawing only 65 Amp, thus saving 45 Amp. This has resulted in saving of 3.4 lakh Units of power consumption per year. Expenditure incurred against replacement activities is around ₹ 2.5 lakhs.
12. Changing of Metering point from line side to Transformer side resulting in saving of power consumption of Reactor and reducing switchyard and metering error. This has resulted in saving of 221 lakh Units of power consumption per year.
13. Running time of raw water pump reduced by diverting raw water to CW fore bay from CCPL line. This could be achieved by interconnection of GRP line from Morshi pump house and reservoir with 20 MLD GRP line near CSR gate. This has resulted in saving of 4.7 lakh Units of power consumption per year. Expenditure incurred is around ₹ 5 lakhs.

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

14. Variable frequency drive commissioned for both CCPL pumps and operating successfully resulting in saving of 37.2 lakh Units of power consumption per year. Expenditure incurred is around ₹ 120 lakhs.
15. Savings in Auxiliary Power Consumption by implementing daily monitoring of equipment wise and area wise power consumption. This helped in identifying the equipment's consuming more auxiliary power so that appropriate action is taken in reducing the power consumption. This has resulted in saving of 100 lakh Units of power consumption per year. Expenditure incurred is around ₹ 6.5 lakhs.

### B. FOREIGN EXCHANGE EARNINGS AND OUTGO :

Particulars	As at March 31, 2022	As at March 31, 2021
	(₹)	(₹)
Earnings in Foreign Currency	-	-
Expenditure in Foreign Currency	34,30,939.00	13,15,719.00

## 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 2021-22;

S.No.	Designation	Ratio
1	Managing Director	39:1
2	Executive Director	34.66:1

- (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 2021-22;

S. No.	Designation	% increase in remuneration
1	Managing Director	0%
2	Executive Director	0%
3	Chief Financial Officer	0%
4	Company Secretary	8%

- (iii) the percentage increase in the median remuneration of employees in the financial year 2021-2022;

Particulars	Amounts	% age of Increments
Apr 21 Median	38,062	
Mar 22 Median	41,191	8.22%

- (iv) the number of permanent employees on the rolls of the company;

524 permanent employees as on March 31, 2022.

- (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)
8.58%	8.00%

- (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

# Annexure 'E' to Board's Report

FORM NO – MR -3

## SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31st March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended]

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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder 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 herein after:

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 31st March, 2022 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 (in so far as these are applicable)
- v. The Regulations and Guidelines 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, 2018 and amendments from time to time;
  - 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 Debt Securities) Regulations, 2008 & The Securities and Exchange Board of India (Issue and Listing of Non – Convertible Securities) Regulations, 2021 (Not applicable as the Company has not issued debt securities which are listed during the financial year under review);
  - 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 (Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review);
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not delisted/proposed to delist equity shares from the stock exchanges during the financial year under review);
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back/propose to buy back it's security during the financial year under review); and
  - i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. and other applicable laws like:
  - The Electricity Act, 2003

- National Tariff Policy
- The Trade Mark Act, 1999

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company;

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 Directors, Non-Executive Directors, Woman Director 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 applicable provisions of law.

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.

Majority decision is carried through unanimously and therefore dissenting members' views are not required to be captured and recorded as part of the minutes.

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. Company has introduced compliance alert system for applicability of all applicable laws, rules, regulations and guidelines.

For S. Khandelwal & Co.  
Company Secretaries

Place : New Delhi  
Date : August 03, 2022  
UDIN : F005945D000702410

Sd/-  
(Sanjay Khandelwal)  
FCS No. 5945  
CP No. 6128

This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

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

'Annexure 1'

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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our 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  
CP No. 6128

Place : New Delhi  
Date : August 03, 2022

## BUSINESS RESPONSIBILITY REPORT

### Introduction:

In terms of the Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report for the financial year ended March 31, 2022:

### Section A - General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L40102DL2007PLC169082
2.	Name of the Company	RattanIndia Power Limited
3.	Registered Office address	A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi – 110 037
4.	Website	www.rattanindia.com
5.	Email ID	ir@rattanindiapower.com
6.	Financial Year Reported	2021-22
7.	Sector(s) that the Company is engaged in (Industrial activity code-wise)	<b>NIC Code</b>
		<b>Description</b>
		35102 Power Generation & Supply
8.	List three products/services that the Company manufactures/provides (as in balance sheet)	Power Generation and Transmission.
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International locations (provide details of major 5): None (b) Number of National locations: Two	
10.	Markets served by the Company	In the state of Maharashtra

### Section B – Financial Details of the Company

(Amount in ₹ Lakhs)

1.	Paid up Equity Capital		537,010.59/- as on March 31, 2022
2.	Total Turnover	Revenue from operations	325,951.86
		Other income	35,322.27
		Total	361,274.13
3.	Total profit after taxes		34,813.61
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax		Nil
5.	List of activities in which expenditure in 4 above has been incurred		Nil

### Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies? Yes.
2. Do the Subsidiary Company/Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s) : No.
3. Do any other entity/entities (e.g., Suppliers, distributors, etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [less than 30%, 30%-60%, more than 60%] : No.

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

### Section D: BR Information

1. Details of Director/Directors responsible for BR\*

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

S. No.	DIN Number	Name	Designation
Not Applicable*			

\* The various aspects of business responsibility and sustainability, do not manifest themselves in a single policy but a host of policies covering such aspects and already in force in the Company in terms of the requirements of the Listing Regulations and the Companies Act, 2013, which are looked after, by the various committees constituted by the Board of Directors of the Company in compliance with requirements laid down in the aforementioned statutes. Thus identifying a single director or key person in this regard, whose particulars could be furnished in the above table, would not be possible. The details of such committees including their constitution, their scope of their power and responsibility, are contained in the Corporate Governance Report.

(b) Details of the BR head :

S. No.	Particulars	Details
1	DIN Number (if Applicable)	Not Applicable* (See above)
2	Name	
3	Designation	
4	Telephone number	
5	e-mail id	

2. Principle-wise [as per National Voluntary Guidelines (NVGs)] BR Policy/policies (Reply in Y/N)

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability (**Ethics, transparency, accountability**)

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle (**Safe and sustainable goods and services**)

Principle 3: Businesses should promote the wellbeing of all employees (**Wellbeing of employees**)

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized (**Responsiveness to all Stakeholders**)

Principle 5: Businesses should respect and promote human rights (**Promoting Human Rights**)

Principle 6: Business should respect, protect, and make efforts to restore the environment (**Protecting the Environment**)

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner (**Responsible Policy Advocacy**)

Principle 8: Businesses should support inclusive growth and equitable development (**Supportive Inclusive development**)

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner (**Providing Value to customers**)

(a) Details of compliance (Reply in Y/N) :

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify?	All the policies in confirm to the principles as set out in the NVG Guidelines								

4	Has the policy being approved by the Board? If Yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	The various policies with regard to the NVG principles do not manifest themselves in a single or a separate policy. Instead the various policies drawn up and implemented in the Company in compliance with the requirements as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended the Companies Act, 2013 and other applicable statutes and those mandated in terms of any contractual requirements with various stakeholders or those mandated specifically or in general terms by any other regulatory requirements, are looked after by the Board constituted committees and the functional heads for various operations. Thus it would not be possible to name or pinpoint a single director/ person in this regard, in this report.								
6	Indicate the link for the policy to be viewed online?	As already explained above, the various principles enshrined in the NVG Guidelines, do not manifest themselves in a single or separate policies, but through the policies in drawn up and in force in the Company, in terms of the various statutory / regulatory or contractual requirements. Such 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.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial No: 1 against any principle, is "No", please explain why: **Not Applicable**

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within next 1 year									
6	Any other reason (please specify)									

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

### 3. Governance related to BR

- a. **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 Months, 3-6 Months, Annually, More than 1 year**

Annually

- b. **Does the Company publish a BR or a sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?:** The Company publishes a Business Responsibility Report for each financial year, when the publication is mandatorily required. The same can be accessed at [www.rattanindiapower.com](http://www.rattanindiapower.com)

### SECTION E: PRINCIPLE-WISE PERFORMANCE

#### Principle 1:

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others**

The Company has adopted a Code of Conduct for its Directors and Senior Management, a Code of Conduct for the employees in general and an Anti Bribery Policy. The said policies seek to ensure that highest standards of work ethics including total honesty, in the conduct of operations of the Company and the discharge of functional responsibilities towards this end, is observed.

As an aid to the strict enforcement of these policies, the Company has in place, a Whistle Blower Policy as well, whereby each and every employee irrespective of hierarchical level is free to report to the top management, any instances or fraudulent or unfair conduct or any discriminatory practices, with full confidentiality being maintained as to the name of the complainant. Further, the Chairperson of the Audit Committee is fully approachable by every employee for reporting of any instances of fraud or financial wrong doing.

The Policies extend to the Company's dealings with its suppliers, contracts and others.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The stakeholders of the Company could be placed under several broad heads including but not necessarily limited to:

- (a) its shareholders
- (b) Its lenders
- (c) its suppliers and contractors
- (d) its customer i.e. the Maharashtra State Electricity Development Corporation Limited
- (e) the regulators and statutory authorities
- (f) its employees and workers
- (g) the community in general and the local area populations in the area where the power plant of the Company is located, in particular.

To cater to the interests of the shareholders and other security holders the Company has in place a committee constituted by its Board of Directors, namely the Stakeholders Relationship Committee, which has been vested with the responsibility of attending to the shareholders and the holders of other securities and redressing their grievances satisfactorily.

During the year 2021-22 the status of complaints received from the shareholder and resolved, is as under:

Shareholder complaints received	0
Shareholder complaints resolved	0
Percentage of Stakeholders complaints Resolved	Nil

The lenders and investors are attended to by a group of senior management personnel including the Chairman and the Managing Director, which holds meetings with them at a regular interval, whereat they are briefed about the performance of the Company, the factors which have or could impact performance in the long or shorter run, the resources needed to be garnered, strategic decisions needed to be taken etc. In such meetings the concerns of the lenders and investors if any, are also taken up for consideration, thoroughly discussed and sorted out.

The suppliers and contractors are regularly interacted with by the project and functional heads and the issues arising with them, timely sorted out.

As regards the regulators and statutory authorities, the Company has a system in place for tracking various regulatory/statutory requirements and ensuring proper and timely compliance with the same.

As for the employees, the Company can by virtue of its policies and systems in place, boast of a dedicated and motivated work force which has the ways and means available to it, to bring to the knowledge and attention of the management, its concerns and grievances and having the same acted upon.

The Company has also been committed to the welfare of the community, which manifests itself of measures undertaken for the welfare of the communities located in the vicinity of the area where the Company's power plant is located.

Additionally the Company has in place a CSR policy which outlines the various programs and projects sought to be undertaken for the welfare of the society. As soon as the financial condition of the Company permits a dedicated commitment of funds towards CSR, what has been set out under the CSR Policy, will find an active manifestation.

During the year 2021-22 there haven't been any complaints from any of the other stakeholders as referred to above, as to be highlighted in this report.

## Principle 2:

### 1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The product as also the service of the Company is Electricity. In the present day scenario the generation and supply of electricity across the length and breadth of the Country is an area of paramount importance for the government and it is a matter of pride for the Company that it has become a power supplying entity in the Country. While generation and supply of power is primarily a business activity of the Company, it has never lost sight of the fact that social and environmental concerns have to be factored into every facet of its activities which is why the same have been incorporated in the business design of the Company.

### 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

From the total energy generated by the plant, after in house consumption in various auxiliaries, balance energy is exported to DISCOM. Following data show the reduction in the auxiliary consumption leading to higher energy export.

(b) Reduction during usage by consumers, has been achieved since the previous year?

Parameter	2020-21	2021-22
Station auxiliary consumption(%)	8.40	8.15

### 3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The company has laid down procedure for sourcing raw materials, consumables and spares. The major sourcing is done for coal which is from mines at Korba belonging to South Eastern Coalfields Ltd, a Govt of India enterprises. There is a long term FSA (Fuel supply agreement with SECL for the purpose).

Second major sourcing is done for Raw water from VIDC, Govt of Maharashtra. There is long term agreement for taking raw water from VIDC.

### 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Many goods and services are procured locally so as to reduce cost and generate direct / indirect employment in the area. Following are some of the major services being procured locally -

- Services like car and bus rentals for to and fro transportation of men and materials from the plant to Amravati town. School buses for kids in the township etc.
- Electrical motor repair and rewinding. Vehicle, HVAC maintenance.
- Manpower for work shop support works.
- Manpower for various works being done through contractors.

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

- Pest control
- Medical facilities for the employees etc.

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. -**

The plant generates ash due to burning of coal in the process of generating electric power. The ash so generated is utilized fully in nearby brick manufacturing industries, cement plants, backfilling of low lying areas and road construction etc. As per the MOEF guidelines 100% fly ash generated in the process is utilized as above.

The raw water used in the process of power generation is also utilized in entirety till its last drop with no water being wasted or disposed off outside the plant. This is achieved through a repeated used of water with what is finally discharged from one system being utilized in the other.

For example water disposals from other systems are used in systems like ash handling and coal handling systems. The waste water from ash and coal handling system is in turn used for the irrigation in the 308 acres of green belt inside the plant. – Confirmation/Input from operation.

**Principle 3 :**

1. Please indicate the Total number of employees : 524
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis : 1344
3. Please indicate the Number of permanent women employees : 19
4. Please indicate the Number of permanent employees with disabilities : 2
5. Do you have an employee association that is recognized by management? No
6. What percentage of your permanent employees is members of this recognized employee association? : Nil
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year : NIL
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? :

At RattanIndia, we believe our employees are a major asset for our Company. Safety and creating a safe operating culture continues to be amongst our top priorities. We have a company-wide occupational health and safety policy to ensure awareness in safety and that best practices in terms of safety are being followed at all our sites. We are focused on improving behavioral safety, reducing hazards through periodical walk-through Audits and safety Improvement projects. In doing so, we have been providing continuous training and skill development workshops before commencement of work and during the term of employment. Safety awareness programmes and campaigns are conducted regularly to help the employees understand their role in making the workplace safe. Each person is encouraged to report any unsafe conditions at the workplace to the safety committee and follow the safety measures at workplace with utmost priority.

**Principle 4 :**

1. Has the company mapped its internal and external stakeholders?  
Yes the stakeholders of the Company have been mapped through an informal process of consultation for the entire operations of the Company. The Company's key stakeholders include its employees, its suppliers and vendors, its shareholders, Bankers and financial institutions and local communities around the operational sites.
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? Yes around the site of its operations.
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so: The Company has engaged some local disadvantageous, vulnerable and marginalized stakeholders through contracts for small time works being given to them. This primarily includes engagement of drivers, medical staff, mistries, carpenters, plumbers, mechanics etc, locally.  
Such small time contracts ensure gainful engagement of such disadvantageous and marginalized sections.

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

### Principle 5 :

- 1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?**

Maintaining the sanctity and dignity of human rights has always been extremely important for the Company be it from the perspective of the employees, the perspective of those having dealings with the Company or those impacted by its Projects. The policies in force in the Company seek to ensure to promote an atmosphere free of fair where people can work and live with freedom and dignity.

In its dealings with various persons, be they from within the Company or outside it, the Company has never lost sight of the fact that every such person is a human being and needs to be dealt with as one and therefore the attempt is always to ensure that no person is dealt with dishonestly, shortchanged or exploited.

Furthermore the Company has as responsible corporate citizen always sought to ensure the welfare and well-being of people both at the physiological as well as the psychological level, without their being made to compromise on their rights as human beings.

- 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management :** Please refer to para no. under Principle 1

### Principle 6 : - Input from operation

- 1. Does the policy related to Principle 6 cover only the Company, or does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?** The Policy covers the Company only.

- 2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Yes / No. If yes, please give the hyperlink for the web page, etc No**

- 3. Does the company identify and assess potential environmental risks?**

Yes. An Environment Management Cell is in place for the same

- 4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if Yes, whether any environmental compliance report is filed?** Clean Development Mechanism is not applicable for Amravati Project, though six monthly environment compliance reports are submitted to Ministry of Environment, Forest and Climate Change (MoEFCC) and Maharashtra Pollution Control Board (MPCB) as per the terms and conditions of Environment Clearance granted for the project.

- 5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc. N**

- 6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

The emission / waste generated by the plant are well within the permissible limits. The plant has been awarded 5Star Rating by MPCB in March 2018 for Stack emission.

- 7. Number of show cause/legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year :** None

### Principle 7 : input from operation

- 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Company is a member of Association of Power Producers (APP)

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Advocated, through Industry Association (APP) on issues relating to power generation for ensuring better value for end consumers by ensuring the most competitive power to be procured by a robust merit order schedule, and other broader policy issues affecting the overall community of power producers in the country.

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

### Principle 8 :

1. **Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Towards the effectuation of various programmes and initiatives in pursuit of the policy of promoting equitable growth and development, apart from awarding small time contracts to the local population for various ordinary day to day jobs as already explained in para no. 3 of Principle 4, the Company has also been coming to the aid of the local population by providing assistance and succor in various other forms such as provision of medical aid, contribution towards religious ceremonies of locals etc.

2. **Are the programmes/projects undertaken through in- house team/own foundation/external NGO/government structures/ any other organization?** In house
3. **Have you done any impact assessment of your initiative?** not required as the initiatives undertaken are effectuated informally and not in pursuance of any formalized programme or structure
4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?** N.A
5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. Please refer to para 1**

### Principle 9 :

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.** There are no consumer complaints/consumer cases pending in the reporting period.
2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information) :** Not applicable
3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so :** No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last financial year.
4. **Did your company carry out any consumer survey/ consumer satisfaction trends? :** Not applicable

## Report on Corporate Governance

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

The Company's Corporate Governance philosophy comprises of three core principles of **TRANSPARENCY, INTEGRITY** and **ACCOUNTABILITY**. We believe sound corporate governance is an integral to enhancing and retaining stakeholders' trust. We are committed to providing long-term value to all our stakeholders. Corporate governance is not just about maintaining strong balance sheet but also about creating organisational excellence. Our company has a structured set of policies and procedures in place that keeps the Board of Directors well informed and well equipped while executing their responsibilities.

At RattanIndia, good corporate governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. Our philosophy can be described as observing of business practices with the ultimate aim of enhancing long term shareholders' value and commitment to high standard of business ethics by following best corporate governance norms in true letter and spirit.

### 2. Board of directors

The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. Your Company has well-informed Board with qualifications and experience in diverse areas. 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.

#### A. Composition and size of the Board:

The Company's Board has an optimum combination of Executive and Non-Executive Directors including two Women Directors out of which one being Independent Woman Director. As on March 31, 2022 the Board comprised of Eight directors, out of which two were Executive director and six were Non-Executive Director, which includes Four Independent Directors. The Chairman of the Company and of the Board was a Non-Executive director, related to the promoter. However, Board of Directors in their meeting held on August 31, 2022 appointed Mr. Rajiv Rattan, a part of the Promoter Group, currently a non-executive Chairman, as an Executive Chairman of the Company for a period of five years with effect from October 1, 2022, based on recommendation of the Nomination & Remuneration Committee and subject to approval by the members at the ensuing Annual General Meeting. As on date of the report Independent Directors constitute half of the total Board strength.

The details of Directors, number of directorships held by them in other companies including a listed company as also the number of their memberships and chairpersonships on various board committees, as at 31.03.2022, 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 31-03-2022	No. of Memberships/ Chairpersonship in Board Committees of various companies including the Company	
						Memberships	Chairpersonships
1	Mr. Rajiv Rattan (DIN: 00010849)	Chairman & Non-Executive Promoter Director	Nil	1	RattanIndia Enterprises Limited – Executive Chairman and Promoter Director	4	Nil
2	Mr. Vibhav Agarwal (DIN : 03174271)	Managing Director	Nil	Nil	Nil	Nil	Nil
3	Mrs. Namita (DIN: 08058824)	Non – Executive Woman Director	Nil	1	Nil	1	Nil
4	Mr. Jeevagan Narayana Swami Nadar (DIN: 02393291)	Independent Director	Nil	5	RattanIndia Enterprises Limited – Independent Director	5	3
5	Mr. Sharad Behal (DIN: 02774398)	Independent Director	Nil	Nil	Nil	Nil	Nil

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

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 31-03-2022	No. of Memberships/ Chairpersonship in Board Committees of various companies including the Company	
						Memberships	Chairpersonships
6	Mr. Sanjiv Chhikara (DIN: 06966429)	Independent Director	Nil	1	RattanIndia Enterprises Limited – Independent Director	4	1
7	Mrs. Neha Poonia (DIN : 07965751)	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	1	Nil

During the Financial Year 2021-2022 :

1. Mr. Himashu Mathur (DIN: 02774398) ceased to be the Director and Whole time Director w.e.f November 3, 2021.
2. Mr. Asim Kumar De (DIN: 03619507) appointed as Whole Time Director of the Company w.e.f. November 3, 2021.
3. Mr. Yashish Dahiya (DIN : 00706336) ceased to be Independent Director of the Company w.e.f. March 16, 2022.

Post Closure of Financial Year :

1. Mr. Vibhav Agarwal, ceased to be the Director and Managing Director of the Company w.e.f. June 03, 2022
2. Mr. Brijesh Narendra Gupta was appointed as Managing Director of the Company w.e.f. July 16, 2022
3. Board of Directors in their meeting held on August 31, 2022 appointed Mr. Rajiv Rattan, a part of the Promoter Group, currently a non-executive Chairman, as an Executive Chairman of the Company for a period of five years with effect from October 1, 2022, based on recommendation of the Nomination & Remuneration Committee and subject to approval by the members at the ensuing Annual General Meeting.

### 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 Committees and Stakeholders' Relationship Committee in various Indian public limited companies only, have been considered.
- 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 director holds shares or any instruments convertible into shares, in the Company.
- No Non-executive Director had any pecuniary relationship with or entered any pecuniary transactions with the Company, during the financial year 2021-22, other than payment of ₹ 12,00,000/- to each of the three Independent Directors namely Mr. Yashish Dahiya, Mr. Sharad Behal and Mr. Jeevagan Narayana Swami Nadar, pursuant to the approval of the shareholders in the 14th annual general meeting held on September 21, 2021.
- There are no inter-se relationships between the Board members
- During Financial Year 2021-22, Chairman of the Company was a Non-Executive Director and was not related to the Managing Director and Whole time Director.

All Directors are in compliance with the limit on Directorships /Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations.

## **Woman Directors:**

The Company, in compliance of 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 has two Non-executive Woman Directors on the Board, one of which is Mrs. Neha Poonia, Independent Woman Director who was appointed with effect from July 30, 2020 as an Independent Woman Director, for a tenure of 5 years. Her appointment was approved by the shareholders in the 13<sup>th</sup> Annual General Meeting of the Company held on September 30, 2020 and other is Mrs. Namita, who is Non -Executive Women Director.

## **Independent Director**

The Independent Directors of the Company have been appointed in terms of the requirements of the Companies Act, 2013 and the Listing Regulations.

Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website

<https://www.rattanindiapower.com/wp-content/uploads/2022/08/letter-of-appointment-of-Independent-director-2018.pdf>

The Company has received declaration from the Independent Directors 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 Independent Directors 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 Independent Directors 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 Directors' maintained with the Indian Institute of Corporate Affairs.

During the Financial Year 2021-22 Mr. Yashish Dahiya, ceased to be the Independent Director of the Company w.e.f. March 16, 2022, due to his personal reasons and there was no other material reasons as confirmed him, which was duly communicated to the stock exchanges.

## **Separate meeting of Independent Directors**

In compliance with the requirements set out in Schedule IV to the Companies Act, 2013 read with the Listing Regulations and Secretarial Standards on Board Meetings, a separate meeting of Independent Directors of the Company was held on August 13, 2021 *inter-alia* to review the performance of the 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**

In the conductance of the meetings 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, are duly followed.

The agenda is 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.

The Company Secretary tracks and monitors Board and Committee proceedings to ensure that the Terms of Reference/Charters are adhered to; decisions are properly recorded in the minutes and actions on the decisions are tracked.

The Terms of Reference/Charters are amended and updated from time to time in order to keep the functions and role of the Board and Committees at par with the changing statutes.

During the financial year 2021-2022, the Board met 7(Seven) times. The dates of the Board meetings were June 18, 2021, August 13, 2021, November 03, 2021, December 10, 2021, December 23, 2021, January 21, 2022 and March 04, 2022. The gap between any two consecutive meetings held during the FY 2021-22 did not exceed 120 days.

The last Annual General Meeting of the Company was held on September 21, 2021.

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

A table depicting the attendance of Directors at various board meetings and annual general meeting held during the financial year 2021-22, is set out below:

S. No.	Name of Director	No. of Board Meeting held during the tenure covered in the FY 2021-22	No. of Board Meetings attended during the FY 2021-22	Attendance at the last AGM
1	Mr. Rajiv Rattan	7	7	Yes
2	Mr. Himanshu Mathur*	3	2	Yes
3	Mr. Vibhav Agarwal	7	7	Yes
4	Mr. Jeevagan Narayana Swami Nadar	7	7	Yes
5	Mr. Sharad Behal	7	1	No
6	Mr. Sanjiv Chhikara	7	1	Yes
7	Mrs. Namita	7	7	Yes
8	Ms. Neha Poonia	7	6	Yes
9	Mr. Yashish Dahiya***	7	1	No
10	Mr. Asim Kumar De**	4	3	NA

\*ceased with effect from November 3, 2021.

\*\* appointed with effect from November 3, 2021.

\*\*\* ceased with effect from March 16, 2022

### Confirmation regarding independent directors

The Board of Directors of the Company do hereby confirm that in their opinion all the Independent Directors of the Company fulfill the conditions specified in the SEBI LODR regulations, 2015 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.rattaindiapower.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 2021-22. A declaration signed by the Executive 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.

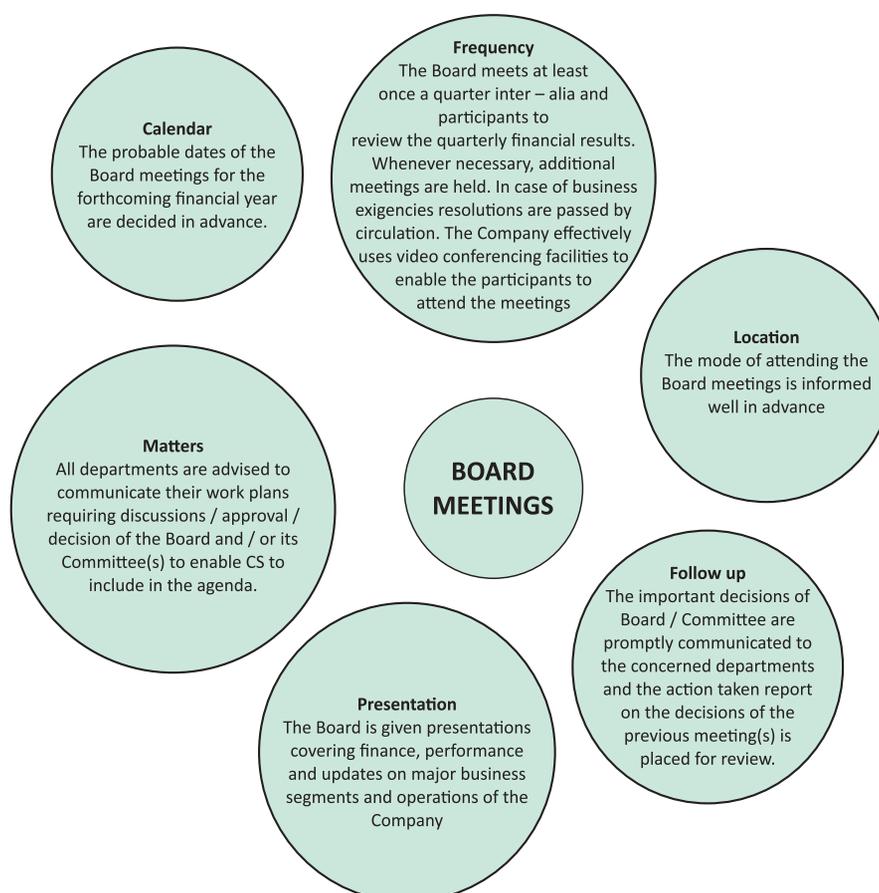
### (D) Chart / Matrix of Skills / Expertise / Competence of the Board of Directors in context to Company's business and sector:

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 adheres 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 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. Vibhav Agarwal (upto June 04, 2022)	✓	✓	✓	-	✓	✓	-
3	Mr. Jeevagan Narayana Swami Nadar	✓	✓	-	✓	✓	✓	-
4	Mr. Sharad Behal	-	✓	-	-	✓	-	-
5	Mr. Sanjiv Chhikara	✓	✓	-	✓	-	✓	-
6	Mrs. Namita	-	-	-	-	-	-	✓
7	Mr. Yashish Dahiya (Upto March 17, 2022)	✓	✓	✓	-	✓	✓	-
8	Ms. Neha Poonia	✓	✓	-	-	-	-	✓
9	Mr. Asim Kumar De	✓	-	✓	-	✓	-	-
10	Mr Brijesh Narendra Gupta (w.e.f. July 16, 2022)	✓	✓	✓	-	✓	-	-



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

### 3. Familiarization Programmes for directors including Independent Directors

With an aim to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly, familiarization program has been designed for the Independent Directors.

The Company, on regular basis makes detailed presentations to the Board including Independent Directors, on the Company's operation and business plans, the nature of industry in which Company operates, and model of respective businesses.

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.

Further, in line with the policy of the Company as framed in this regard and in compliance with the requirements of the Listing Regulations a familiarization exercise for Independent Directors of the Company was carried out during the financial year 2021-2022, as it had been carried out in the previous financial year. The details of Familiarisation program imparted to the Independent Directors are available on the website of the Company and can be viewed at the weblink <https://www.rattanindiapower.com/wp-content/uploads/2022/08/FAMILIARIZATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS-1.pdf>.

### 4. Committees of the Board

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees. 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 Committees are placed before the Board for review. The role, the composition, terms of reference of the Board constituted 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, 2022, consisted of four members namely Mr. Jeevagan Narayana Swami Nadar, as the Chairman and member and Mr. Rajiv Rattan, Mr. Sanjiv Chhikara and Mrs. Neha Poonia as the other three members. While Mr. Jeevagan Narayana Swami Nadar, Mr. Sanjiv Chhikara and Mrs. Neha Poonia are Independent Directors, Mr. Rajiv Rattan is the Promoter Director. Secretary of the Company also acts as Secretary to the Audit Committee.

All the members are financially literate 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 role of Audit Committee, inter-alia includes the following:

- i. 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.
- ii. recommendation for appointment, remuneration and terms of appointment of statutory auditors.
- iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
- v. reviewing, with the management, the quarterly financial statements before submission to Board for approval.
- vi. 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
- vii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
  - viii. approval or any subsequent modification of transactions of the Company with related parties.
  - ix. scrutiny of inter-corporate loans and investments.
  - x. valuation of undertakings or assets of the Company, wherever it is necessary.
  - xi. evaluation of internal financial controls and risk management systems.
  - xii. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - xiii. 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.
  - xiv. discussion with internal auditors of any significant findings and follow up there on.
  - xv. 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.
  - xvi. 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.
  - xvii. 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.
  - xviii. to review the functioning of the whistle blower mechanism.
  - xix. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
  - xx. 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
  - xxi. consider and comment on the rationale, cost-benefits and impacts of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
  - xxii. 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, 2022 the Committee met six times. The dates of the meetings were June 18, 2021, August 13, 2021, November 3, 2021, December 23, 2021, January 21, 2022 and March 4, 2022 and the gap between two consecutive meetings held during the Financial Year did not exceed one hundred and twenty days.

The attendance of the members of the Committee at the meetings held during the FY 2021-22 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	6	6
2	Mr. Jeevagan Narayana Swami Nadar	6	6
3	Mr. Sanjiv Chhikara	6	2
4	Mrs. Neha Poonia*	5	5

Mrs. Neha Poonia inducted as a member of the committee on June 18, 2021. 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.

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

The Chairman of the Audit Committee was present at the 14<sup>th</sup> Annual General Meeting of the Company held on September 21, 2021.

The Board of Directors of the Company had accepted all recommendation of committees of the Board which are mandatorily required, during the financial year 2021-22.

### (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, 2022 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. Mr. Jeevagan Narayana Swami Nadar and Mr. Sanjiv Chhikara are Independent Directors.

#### 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 2021-2022, Committee met three times. The dates of the meetings were June 18, 2021, August 13, 2021 and November 03, 2021.

The attendance of the members of the Committee at the meetings held during the FY 2021-22 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	3	2
2	Mrs. Namita	3	3
3	Mr. Sanjiv Chhikara	3	1

The Chairman of the Nomination & Remuneration Committee was present at the 14<sup>th</sup> Annual General Meeting held on September 21, 2021.

#### 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 is done on the following parameters.

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 and its employees during the ongoing pandemic situation etc.
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.

The performance of Independent Directors was also evaluated by the entire Board and in such exercise, the director concerned whose performance was being evaluated didn't participate

The evaluation report was also discussed at the meeting of the Board of Directors. The Board deliberated over the suggestions and inputs to augment its own effectiveness and optimise the individual strengths of the directors. The directors were satisfied with the Company's standard of governance, its transparency, meeting practices and overall Board effectiveness. The suggestions given by the Independent Directors were duly incorporated

**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: [www.rattanindiapower.com](http://www.rattanindiapower.com). 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 2021-2022 are as mentioned below:

Name of Director	Relationship With other Director	Salary, allowances and perquisites per annum	Performance linked incentive (₹)
Mr. Vibhav Agarwal	None	1,14,98,400	27,00,000
Mr. Himanshu Mathur (Upto November 03, 2021)	None	54,09,313	-
Mr. Asim Kumar De (With effect from November 03, 2021)	None	55,44,355	16,63,304

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

### Notes:

1. Aforesaid components of remuneration include the Basic Salary, House Rent Allowance and other allowances.
2. Employee Benefits represents Gratuity, Superannuation and Compensated Absences, as applicable as per the terms of service, based on actuarial valuation.
3. Mr. Himanshu Mathur had also been granted 100,000 stock options out of which 80,000 options have already been vested in him, with 10,000 of the vested options had been exercised by him. The Stock option were not issued at any discount to the face value.
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

### (ii) Remuneration of Non-Executive Directors

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 ₹ 12,00,000/- to each of the three Independent Directors namely Mr. Yashish Dahiya, Mr. Sharad Behal and Mr. Jeevagan Narayana Swami Nadar, pursuant to the approval of the shareholders in the 14<sup>th</sup> Annual General Meeting held on September 21, 2021.

### (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 Listing Regulations, to look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders, comprises, as on March 31, 2022, of two Non- Executive Independent Directors and one Non – 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.

#### Terms of reference

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178(5) 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.

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 in 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, 2022 the Committee met Four times. The dates of the meetings were April 14, 2021, July 14, 2021, October, 10, 2021 and January 17, 2022.

The attendance of the members of the Committee at the meetings held during the FY 2021-22 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. Sanjiv Chhikara	4	2
2	Mr. Rajiv Rattan	4	2
3	Mr. Jeevagan Narayana Swami Nadar	4	4

The Chairman of the Stakeholders Relationship Committee was present at the 14<sup>th</sup> Annual General Meeting held on September 21, 2021.

#### Name and designation of compliance officer

Mr. Lalit Narayan Mathpati, Company Secretary is the Compliance Officer pursuant to Regulation 6 (1) of the Listing Regulations.

#### Details of queries / complaints received and resolved during the FY 2021-22:

Sl. 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	0	0	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

All the complaints were resolved to the satisfaction of shareholders.

#### (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, 2022 comprised of Mr. Rajiv Rattan, Non-Executive Director as its Chairman, Mr. Vibhav Agarwal, Managing Director, Mrs. Neha Poonia, Independent Director and Mr. Ankur Mitra, Chief Financial Officer, as its members.

#### 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 31<sup>st</sup> March 2022, the Committee met two times. The dates of the meetings were 23<sup>rd</sup> December 2021 and 13<sup>th</sup> March 2022

The attendance of the members of the Committee at the meetings held during the FY 2021-22 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	2	1
3	Ms. Neha Poonia	2	2
4	Mr. Ankur Mitra	2	2

Post closure of Financial Year, Mr. Vibhav Agarwal ceased to be the Committee w.e.f. June 03, 2022. The Board in its meeting held on July 16, 2022 reconstituted the committee and the present composition of the committee comprises of Mr. Rajiv Rattan, Mr. Brijesh Narendra Gupta, Mrs. Neha Poonia and Mr. Ankur Mitra.

### (E) Corporate Social Responsibility

The Corporate Social Responsibility (CSR) Committee of the Company has been constituted by the Board in compliance with the requirements of Section 135 of the Act, comprises 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.

#### 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/rpl/csr-policy/>.

The Annual Report on CSR activities for the Financial Year 2021-22 forms part of the Board's Report. During the Financial Year 2020-21, no meetings of the CSR Committee were held.

### 5. 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
12 <sup>th</sup> AGM	2018-19	Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi-110037	September 26, 2019	10.00 A.M.
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.

## B. Details of special resolutions passed in the previous three AGMs:

- (i) In the AGM of the Company for the FY 2018 - 2019 held on September 26, 2019, special resolutions as briefly specified hereunder, were passed.
- Special resolution pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Listing Regulations, to approve re-appointment of Mr. Jeevagan Narayana Swami Nadar (DIN: 02393291) as an Independent Director for a second consecutive term of five years.
  - Special resolution pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Listing Regulations, to approve re-appointment of Mr. Sharad Behal (DIN: 02774398) as an Independent Director for a second consecutive term of five years.
  - Special resolution pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Listing Regulations, to approve re-appointment of Mr. Sanjiv Chhikara (DIN: 06966429) as an Independent Director for a second consecutive term of five years.
- (ii) In the AGM of the Company for the FY 2019 - 2020 held on September 30, 2020, No Special Resolution were passed in the 13th AGM of the Company held for FY 2019-20.
- (iii) In the AGM of the Company for the FY 2020-2021 held on September 21, 2021, three Special Resolutions were passed in the 14th AGM of the Company held for FY 2020-21.
- 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.
  - 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.
  - Special resolution for taking approval of members pursuant to Sections 185 & 186 of the Companies Act, 2013

## D. Special Resolutions passed during the FY 2021-22 through postal ballots:

During the year 2021-22, no postal ballot was conducted by the Company.

## 6. Subsidiary Companies:

The Company had 5 Indian Unlisted and 3 Foreign Subsidiaries as on March 31, 2022 and the Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Indian Subsidiaries, including the investments made by the Subsidiaries. Post closure of financial year two Indian subsidiary companies of the Company namely Diana Energy Limited and Devona Power Limited are struck off. The Minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted Indian subsidiaries of the Company, as applicable, are placed before the Board of Directors of the Company.

The Company has formulated a policy for determining Material Subsidiaries and the Policy is disclosed on the Company's website at the web link: <https://www.rattanindiapower.com/wp-content/uploads/2022/08/Policy-on-Material-Subsidiaries.pdf>

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

### 7. Disclosures

#### (i) Details on materially significant related party transactions:

In compliance with the requirements of Listing Regulations, 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 2021-22 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 interests 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:

Pursuant to regulation 17 of SEBI (LODR) Regulation, 2015, the Company 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 .

The Company requested both the exchanges for the waiver of fines, citing the above reasons. NSE did not accept the request made by the Company and hence the fines imposed by it were duly paid.

BSE did not initially respond to the requests made by the Company and consequently the fines imposed on the Company for the period 29 days, for which a notice had been received from the said exchange, were duly paid. For the period 91 days no such notice had been received from BSE

Subsequently BSE vide its e-mail dated June 23, 2021, waived the fines imposed by it for the aforementioned period and agreed to the adjust the fine already paid by the Company for the period 29 days, against the future listing fee payments which the Company would make to the Exchange.

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 has been 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>

**(iv) Dividend Distribution Policy**

Pursuant to Regulation 43A of 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 2021-22	Number of complaints disposed of during the financial year 2021-22	Number of complaints pending as on end of the financial year 2021-22
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, 2022, is as under:

Particulars	By the Company	By the Subsidiary	Total Amount
Statutory audit	₹ 53,00,000/-	₹ 12,00,000/-	₹ 65,00,000/-
Total	₹ 53,00,000/-	₹ 12,00,000/-	₹ 65,00,000/-

**(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.**

**(ix) Loans and advances in the nature of loans to firms/companies in which directors are interested :** Please refer the note 38 of the financial statements.

**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)/NSE New Digital platform:** The NEAPS and NSE New Digital platform 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 and NSE New Digital platform.
- (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.

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

(vii) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redressal system.

### 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 AGM.

In view of continuing Covid-19 pandemic, the Company is conducting meeting through VC / OAVM pursuant to the pursuant to the Circular No. 02/2022 dated 5th May, 2022 and 20/2021 dated 8th December 2021, Nos. 14/2020 dated 8th April 2020; 17/2020 dated 13th April 2020; 22/2020 dated 15th June 2020; 23/2020 dated 28th September 2020, 39/2020 dated 31st December, 2020 and 10/2021 dated June 23, 2021, 19/2021 dated 8th December 2021, 21/2021 dated 14th December, 2021 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars"), read with SEBI Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022. The Deemed venue for the AGM will be the Registered office of the Company,

#### C. Profile of Directors seeking appointment/re-appointment.

In terms of the requirement of Regulation 36(3) of the Listing Regulations and Secretarial Standard 2, particulars of Director seeking re-appointment at this AGM, are given hereunder:

(i) Mr. Rajiv Rattan, aged 49 years, a first generation entrepreneur is the Chairman of RattanIndia Group. Mr. Rattan is an alumnus of IIT Delhi and started his professional career with Schlumberger, one of the largest oilfield Services Company in the world.

Prior to RattanIndia Group, he co-founded one of the largest conglomerate in India which included businesses in Consumer Finance (2nd largest mortgage lender in India), Securities (largest stock brokerage in India), Real Estate and Power Generation with a combined net worth of more than \$ 5 billion. The businesses were restructured and Power and Infrastructure business were rechristened RattanIndia Group under the Chairmanship of Mr. Rajiv Rattan.

Mr. Rajiv Rattan is also on the Board of RattanIndia Power Limited, Revolt Intellicorp Private Limited, RattanIndia Finance Private Limited and RattanIndia Investment Manager Private Limited. 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

(ii) Mr. Asim Kumar De aged 63 years, is B.Tech. (Instrumentation) from Calcutta University and has four decades of experience in the field of Project construction, commissioning, operation & maintenance, planning of power plant, particularly in subcritical and supercritical power plants of 300MW, 500MW, 660MW and 825MW unit capacities, both standalone as well as integrated plant with coal mine of daily one lakh MT production capacity. Mr. Asim Kumar De has spent 28 years with NTPC, 8 years with private sector in companies like Reliance Power and Tata Power. He has proven expertise in heading Power Plant operations and management of integrated Power

plant and Coal mine on industry-best parameters and has been in leadership roles as Station Head, CEO and Director/ Member on the Board. Mr. Asim De is regarded as expert in numerous process improvements and cost savings initiatives across the entire domain of Power plant and mine operations and for streamlining processes / procedures to facilitate and enhance plant productivity.

Mr. Asim Kumar De was nominated by the Nomination and Remuneration Committee and appointed by the Board of Directors in their meetings dated November 03, 2021, subjected to approval of the Members of the Company.

Mr. Asim Kumar De is not related to any Director on the Board and holds no shares in the Company.

Mr. Asim Kumar De is also on the board of Sinnar Thermal Power Limited unlisted subsidiary of the Company.

Mr. Asim Kumar De is member of Corporate Social Responsibility Committee of the Company and he does not hold chairpersonships of any committee in any company.

Mr. Asim Kumar De is also not debarred from being appointed as Director of the Company, pursuant to any order of SEBI or any competent authority.

- (iii) Mr. Brijesh Narendra Gupta aged 57 years, is an alumnus of Visvesarya Regional College of Engineering and has over three decades of experience in industrial sector having worked in top organizations in Renewable, Steel, Mining and Commodities sector in India and abroad. In his earlier stints, Mr. Gupta has held leadership positions in Adani Enterprises, Essar Group, Welspun and Atha Group. Mr. Gupta has global experience having worked across geographies in USA, Middle East, Iran and the Indian-Subcontinent.

Mr. Gupta was nominated by the Nomination and Remuneration Committee and appointed by the Board of Directors in their meetings dated July 16, 2022, subjected to approval of the Members of the Company.

Mr. Gupta is not related to any Director on the Board and holds no shares in the Company.

Mr. Brijesh Narendra Gupta is member of Risk Management Committee of the Company and he does not hold chairpersonships of any committee in any company. He is also not debarred from being appointed as Director of the Company, pursuant to any order of SEBI or any competent authority.

- 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 2021-22.

F. **Date of Book Closure**

Information pertaining to the Book Closure dates has been provided in the Notice convening the AGM.

- G. (i) Distribution of shareholding as on 31st March, 2022

RATTANINDIA POWER LIMITED					
Distribution Schedule As On 31/03/2022					
S.No.	Category	No. of Cases	% of Cases	Amount	% of Amount
1	1-5000	4,24,214	65.51	61,71,68,840.00	1.15
2	5001- 10000	85,028	13.13	72,71,13,960.00	1.35
3	10001- 20000	54,402	8.40	85,41,25,510.00	1.59
4	20001- 30000	24,290	3.75	62,03,17,420.00	1.16
5	30001- 40000	10,408	1.61	37,79,70,590.00	0.70
6	40001- 50000	12,631	1.95	60,84,97,090.00	1.13
7	50001- 100000	18,098	2.79	1,40,51,33,560.00	2.62
8	100001 & Above	18,498	2.86	48,49,07,31,630.00	90.30
	<b>Total</b>	<b>6,47,569</b>	<b>100.00</b>	<b>53,70,10,58,600.00</b>	<b>100.00</b>

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

(ii) Shareholding pattern as on 31st March, 2022

S. No.	Category	No. of Shares	% Holding
1	Promoters	2,36,61,03,603	44.06
2	Financial Institution/Banks/ Mutual Fund	70,63,72,300	13.15
3	Insurance Companies	1,47,67,224	0.27
4	FII/Foreign Portfolio Investors	1,10,35,876	0.21
5	Private Bodies Corporate	82,48,69,002	15.36
6	Indian Public	1,38,89,41,915	25.87
7	NRIs	3,05,40,195	0.57
8	Clearing Members	2,61,22,904	0.49
9	NBFCs registered with RBI	13,20,891	0.02
10	Unclaimed Shares	31,650	0.00
	<b>Total</b>	<b>5,37,01,05,860</b>	<b>100.00</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, 2022, nearly 100% Equity shares of the Company representing 537,00,84,145 out of a total of 537,01,05,860 Equity shares, were held in dematerialized form with a miniscule balance of 21,715 Equity shares 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 ISIN for Dematerialization : INE399K07014 and INE399K07022

### I. Convertible Instruments

As on March 31, 2022, an aggregate of 82,800 Stock Options were in force. As and when these convertible securities are converted into equivalent number of equity shares, paid-up share capital of the Company shall accordingly stand increased.

### 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

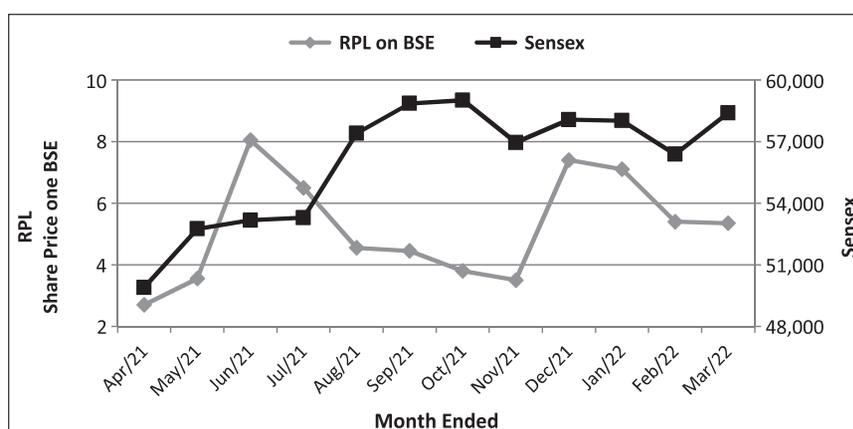
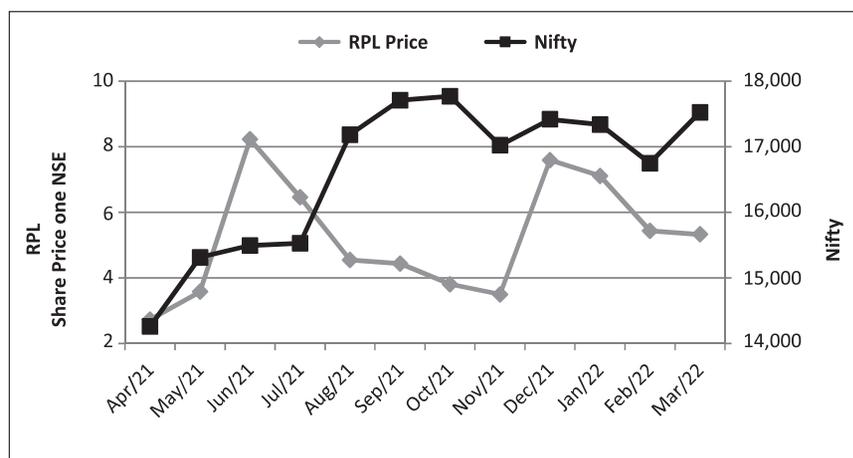
Annual listing fee for the Financial Year 2022-23 has been paid by the Company to BSE and NSE.

## 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 2021	2.90	2.40	2.89	2.36
May 2021	3.70	2.70	3.78	2.74
June 2021	8.05	3.30	8.30	3.29
July 2021	9.70	5.95	9.99	5.96
August 2021	7.45	4.55	7.45	4.55
September 2021	4.90	4.15	4.91	4.13
October 2021	4.75	3.75	4.74	3.72
November 2021	4.00	3.45	4.05	3.48
December 2021	7.40	3.45	7.59	3.46
January 2022	8.85	6.70	8.88	6.77
February 2022	7.35	4.90	7.44	4.94
March 2022	6.30	5.00	6.44	4.98

## M. Performance of the Company in comparison to broad-based indices



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

### 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 – 500032, Telangana  
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  
Email : [www.ir\\_rpl@rattanindiacom](mailto:www.ir_rpl@rattanindiacom)  
Website : [www.rattanindiapower.com](http://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.

### 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 Listing Regulations 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 Listing Regulations, signed by the Managing Director and Chief Financial Officer, is annexed to and forms part of the Annual Report.

MD and CFO have issued certificate pursuant to the Regulation 33(3)(d) of Listing Regulations 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 Listing Regulations is as under:

### (A) Non –Executive Chairman

As on March 31, 2022 the Company had a non-executive Chairman who worked out of an office being maintained by the Company.

### (B) Separate posts of Chairman and Managing Director.

As on March 31, 2022, while the Company had a Non-Executive Chairman, it separately had a Managing Director, Mr Vibhav Agarwal. Post closure of Financial year, Mr. Vibhav Agarwal, ceased to be the Managing Director on June 03, 2022 and Mr. Brijesh Narendra Gupta has been appointed as new Managing Director w.e.f. July 16, 2022. However Board of Directors in their meeting held on August 31, 2022 appointed Mr. Rajiv Rattan, a part of the Promoter Group, currently a non-executive Chairman, as an Executive Chairman of the Company for a period of five years with effect from October 1, 2022, based on recommendation of the Nomination & Remuneration Committee and subject to approval by the members at the ensuing Annual General Meeting.

### (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 <https://www.rattanindiapower.com/rpl/newspaper-publishing/>.

### (D) Modified financial statements

The Statutory Auditors of the Company have raised a qualification on the financial statement in respect of non-current investment of ₹ 1,211.82 crore (net of impairment provision) and inter corporate deposits (classified under current assets) of ₹ 26.05 crore, recoverable from Sinnar Thermal Power Limited (STPL), wholly owned subsidiary of the Company which had an accumulated loss as on March 31, 2022 amounting to ₹ 9,595.60 crore and the management of the subsidiary company has determined that a material uncertainty exists as at 31 March 2022, that may cast significant doubt about the subsidiary company's ability to continue as a going concern.

However, in view of acute power shortage faced by the country, the Ministry of Power has 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 has been directed to make plant operational and endeavor to start power generation from 2 out of its 5 units within 4 months timeframe. Initially, while the plant is expected to take benefit of sharp demand-supply gap in merchant market; it would continue to look for opportunities to tie-up for medium / long term PPA which are expected to emerge for bidding in due course.

Accordingly, the management is of the view that STPL's status as going concern for the purpose of accounting is appropriate. The Management has undertaken assessment of recoverability of the financial assets and has created provision, wherever deemed necessary.

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

### (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 details of the Credit Rating are as under:

Name of Agency	Bank Facilities	
Acuite Rating and Research	Short Term	Long Term
	A3	BBB-

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, 2022.

Sd/-

**Asim Kumar De**

Whole Time Director

## COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

### Compliance Certificate pursuant to Regulation 17(8) of the Listing Regulations read with Part B of the Schedule II thereto

We, Ankur Mitra, Chief Financial Officer and Vibhav Agarwal, Managing Director of RattanIndia Power Limited (the "Company"), having registered office located at A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi -110037, hereby certify that we have reviewed the financial statements and cash flow statement of the Company, for the financial year ended March 31, 2022 and to the best of our knowledge and belief :

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations ;
- (iii) no transaction was entered into by the Company during the period which were fraudulent, illegal or violative of Company's code of conduct;
- (iv) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and that the same did not reveal any deficiencies;
- (v) there was no significant changes in internal control over financial reporting during the period
- (vi) there was no significant changes in accounting policies during the year; and
- (vii) there was no instances of significant fraud of which we have become aware having involvement therein of the management or an employee having a significant role in Company's internal control system over financial reporting.

#### For RattanIndia Power Limited

Sd/-  
**Ankur Mitra**  
Chief Financial Officer

Sd/-  
**Vibhav Agarwal**  
Managing Director

Date : May 12, 2022  
Place : New Delhi

Date : May 12, 2022  
Place : Mumbai

## 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

We have examined the compliance of conditions of Corporate Governance by RattanIndia Power Limited ("the Company"), for the year ended March 31, 2022, as stipulated under Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) for the period ended March 31, 2022.

We state that the compliance of conditions of Corporate Governance is the responsibility of the Company's management and our 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 our opinion, and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned LODR for the period ended March 31, 2022.

We 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 purposes 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: F005945D000702344

Date : August 03, 2022  
Place : New Delhi

## CERTIFICATE OF NO DISQUALIFICATION FROM COMPANY SECRETARY IN PRACTICE

(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,  
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 (herein after 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 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, for the financial year ending on 31 March, 2022, 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 Authorities.

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**  
FCS No. 5945  
C P No. : 6128  
UDIN: F005945D000702366

Date : July 28, 2022  
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'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2022, 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 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 matters 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, as at 31 March 2022, 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), a wholly-owned subsidiary company, is yet to commence operations and has incurred a net loss amounting to ₹ 241,918.69 lakhs during the year ended 31 March 2022. Further, STPL's accumulated losses as at 31 March 2022 amounted to ₹ 959,560.21 lakhs and its current liabilities exceed its current assets by ₹ 1,035,788.75 lakhs as of that date. STPL has also defaulted in repayment of borrowings from banks, including interest, aggregating to ₹ 920,452.48 lakhs up till 31 March 2022. These conditions along with other matters including termination of Letter of Intent ('LOI') by Maharashtra State Electricity Distribution Co. Ltd (MSEDCL) in respect of LOI earlier issued by MSEDCL to enter into a power purchase agreement with STPL and withdrawal of the petition filed before Maharashtra Electricity Regulatory Commission (MERC) by STPL, as set forth in such note, indicate the existence of material uncertainty that may cast significant doubt about the STPL's ability to continue as a going concern. The management is of the view that going concern basis of accounting for STPL is appropriate owing to the mitigating factors mentioned in the aforesaid note and that no adjustments are necessary to the carrying value of the assets, including property plant and equipment of STPL aggregating to ₹ 775,798.08 lakhs as at 31 March 2022 as included in the accompanying Consolidated Financials Statements.

However, in the absence of sufficient evidence for the aforesaid assessment performed by the management including the uncertainty over the outcome of ongoing discussions with the lenders to secure firm and unconditional commitment for providing working capital loans /bank guarantees required for executing the PPA, we are unable to obtain sufficient appropriate evidence to comment on the appropriateness of going concern assessment of STPL by the management or adjustments, if any, that may further be required to be made to the carrying value of the assets, including property plant and equipment of STPL as at 31 March 2022 and the consequential impact thereof on the accompanying consolidated financial statements.

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, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial 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 16 of the Other Matter section below, 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 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.

6. 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 ₹ 220,691.91 lakhs as at 31 March 2022.</p> <p>As detailed in Note 33 to the consolidated financial statements, there are certain claims by the Holding Company which are disputed by MSEDCL including claim on account of Compensatory Claim (CCEA) amounting to ₹ 30,890.74 lakhs and Late Payment Surcharge (LPS) thereon and Change-in-law (CIL) claims. These are under litigation 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 ₹ 30,890.74 lakhs on account of CCEA claims and LPS thereon.</p> <p>Considering the materiality of the balances to the Holding 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 litigations 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 in relation to recoverability of such dues.</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 counsel and analysed 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 litigation 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>
<b>Impairment of power plant at Amravati (Refer note 3 for the accounting policy for impairment of assets)</b>	
<p>Refer note 3 for the accounting policy for impairment of assets. The Holding Company has a power generating plant and allied facilities valuing ₹ 587,893.12 lakhs and ₹ 48,871.01 lakhs, respectively.</p> <p>In accordance with Ind AS 36, Impairment of assets, the management of the Holding Company identified that impairment indicators existed for the power plant owing to the fact that there has been less than full capacity utilisation of the plant since the commencement of operations, and currently, the plant is operating at around 75% capacity.</p> <p>The aforesaid assessment of the impairment involves exercising a significant judgement with regard to assumptions, estimates involved in forecasting future cash</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 and performed a walkthrough to evaluate design effectiveness and tested the operating effectiveness of key controls for identifying impairment indicators as well as determining the appropriate methodology to carry out impairment testing for plant, property and equipment.</li> <li>• Evaluated the appropriateness of applying relevant accounting standards in recognizing the impairment loss.</li> <li>• Challenged management on the underlying assumptions used for the cash flow projections</li> </ul>

## Independent Auditor's Report (contd.)

<p>flows. These assumptions include plant operating level, discount rates, estimation of terminal value.</p> <p>Changes in the management forecasts or assumptions can impact the assessment of the discounted cash flows and consequently the valuation of such power plant.</p> <p>Considering the significance of the amounts involved, degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of power generating plant as a key audit matter.</p>	<p>including the implied growth rates, discount rate, estimation of terminal value etc. considering the evidence available to support these assumptions and our understanding of the business.</p> <ul style="list-style-type: none"> <li>• Tested the discount rate and plant operating level used in the forecasts, including comparison to economic and industry forecasts where appropriate.</li> <li>• Evaluated the sensitivity analysis performed by the management in respect of the key assumptions discussed above to ensure that there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the calculation.</li> <li>• Ensured that disclosures for the aforesaid balances and transactions are adequately disclosed in accordance with the applicable accounting standards.</li> </ul>
<p><b>Litigation and contingent liabilities</b> (Refer note 33 for disclosures related to legal and regulatory cases)</p>	
<p>We refer to the Note 33 of the consolidated financial statements of the Group for the year ended 31 March 2022 for disclosures related to legal and regulatory cases. 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 management.</p> <p>Key judgments are also made by the 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 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.</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</li> </ul>

	<p>legal counsel and understood precedents set in similar cases.</p> <ul style="list-style-type: none"> <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 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

7. 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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

8. 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 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, companies 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.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

## Independent Auditor's Report (contd.)

10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. 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.
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 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 system 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 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 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, 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.
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.

## Other Matter

16. We did not audit the financial statements of 2 subsidiaries, whose financial statements / financial information reflects total assets of ₹ 24,031.78 lakhs and net assets of ₹ (983.08 lakhs) as at 31 March 2022, total revenues of ₹ 54.94 lakhs and net cash inflows amounting to ₹ 4.32 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors. 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.
17. We did not audit the financial statements of 3 subsidiaries located outside India, whose financial statements / financial information reflect(s) total assets of ₹ Nil and net assets of ₹ (154.69) lakhs as at 31 March 2022, total revenues of ₹ Nil and net cash flow amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. 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

18. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries, we report that the Holding Company, 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 3 subsidiary companies incorporated in India whose financial statements have been audited under the Act have 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 companies.
19. 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 16 above, of companies included in the consolidated financial statements for the year ended 31 March 2022 and covered under the Act, we report that 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 2022 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	Sinnar Thermal Power Limited	U70109DL2007PLC157316	Subsidiary	ix, xix
2	Sinnar Power Transmission Company Limited	U40104DL2008PLC180166	Subsidiary	ix, xix

20. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors 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:
- 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;
  - 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 Holding Company;

## Independent Auditor's Report (contd.)

- 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 matter described in paragraph 3 of the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the 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 companies, and taken on record by the Board of Directors of the Holding Company and, its subsidiary companies, respectively, and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2022 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 Holding Company, 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 companies covered under the Act, 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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries 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 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 2022;
  - 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 2022; and
  - 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 subsidiaries 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 companies, ('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 persons 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 companies, 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 subsidiaries, 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 2022.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Rohit Arora**  
Partner  
Membership No.: 504774  
**UDIN:** 22504774AIWQZQ7803

**Place:** New Delhi  
**Date:** 12 May 2022

# Annexure A to the Independent Auditor's Report

## List of entities included in the Statement

### Subsidiaries

- 1) Sinnar Thermal Power Limited (India)
- 2) Sinnar Power Transmission Limited (India)
- 3) Bracond Limited (Cyprus)
- 4) Geneformous Limited (Cyprus)
- 5) Poena Power Development Limited (India)
- 6) Renemark Limited (Cyprus)
- 7) Devona Power Limited (under process of strike off)
- 8) Diana Energy Limited (under process of strike off)

## Annexure B

### 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 2022, 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 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 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 reports 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 possibility of collusion or improper management override of controls, material misstatements due to error or fraud may

# Annexure B to the Independent Auditor's Report

(contd.)

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 2022 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 2022, 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 12 May 2022, reproduced by us as under:

We are unable to determine whether the Company's internal control system with respect to financial statements closure process towards assessing the Company's ability to continue as going concern were operating effectively, due to uncertainties in the judgments and assumptions made by the Company, which could potentially result in material misstatements in the carrying value and classification of assets and liabilities and consequential impact thereof on the accompanying 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 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 2022, 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 2 subsidiary companies, which are companies covered under the Act, whose financial statements / financial information reflect total assets of ₹ 24,031.78 lakhs and net assets of ₹ (983.08 lakhs) as at 31 March 2022, total revenues of ₹ 54.94 lakhs and net cash inflows amounting to ₹ 4.32 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 companies have been audited by other auditors whose reports have 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 companies, 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 Chandiook & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

UDIN: 22504774AIWQZQ7803

Place: New Delhi

Date: 12 May 2022

# Consolidated Balance Sheet

of RattanIndia Power Limited as at 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	1,314,029.33	1,376,579.67
(b) Capital work-in-progress	4A	114,220.32	157,430.91
(c) Right of use	4B	24,046.57	22,908.22
(d) Other intangible assets	5	24.14	5.28
(e) Financial assets			
Other financial assets	6	3,588.48	7,359.39
(f) Deferred tax assets (net)	7	-	0.65
(g) Non-current tax assets (net)	8	946.69	807.85
(h) Other non-current assets	9	578.39	1,516.00
(i) Assets held for sale (₹ 1/-)	10	-	-
		<b>1,457,433.92</b>	<b>1,566,607.97</b>
<b>Current assets</b>			
(a) Inventories	11	13,664.03	27,740.09
(b) Financial assets			
(i) Investments	12	378.81	33.92
(ii) Trade receivables	13	221,240.77	195,134.16
(iii) Cash and cash equivalents	14	15,022.20	11,375.96
(iv) Other bank balances	15	11,992.20	13,401.49
(v) Loans	16	0.32	0.32
(vi) Other financial assets	6	30,103.16	30,555.08
(c) Other current assets	9	16,002.59	16,697.66
		<b>308,404.08</b>	<b>294,938.68</b>
<b>TOTAL ASSETS</b>		<b>1,765,838.00</b>	<b>1,861,546.65</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	17	537,010.59	537,010.59
(b) Other equity	18	(803,190.53)	(599,521.26)
		(266,179.94)	(62,510.67)
(c) Non-controlling interests		-	(385.66)
		<b>(266,179.94)</b>	<b>(62,896.33)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	712,990.80	920,343.17
(ii) Lease liabilities	20	3,037.64	1,578.97
(iii) Other financial liabilities	21	5,597.49	5,664.33
(b) Provisions	22	808.02	730.89
(c) Other non-current liabilities	23	92,751.37	103,528.72
		<b>815,185.32</b>	<b>1,031,846.08</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	437,816.15	303,426.45
(ii) Lease liabilities	20	862.27	185.97
(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		4,568.75	2,667.64
(iv) Other financial liabilities	21	763,898.72	580,484.08
(b) Other current liabilities	23	5,706.39	1,824.16
(c) Provisions	22	3,980.34	4,008.60
		<b>1,216,832.62</b>	<b>892,596.90</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,765,838.00</b>	<b>1,861,546.65</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 Chandok & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

Rohit Arora  
Partner  
Membership No. : 504774

Place: New Delhi  
Date: 12 May 2022

For and on behalf of the Board of Directors

Rajiv Rattan  
Chairman  
DIN: 00010849  
Place: London, UK  
Date: 12 May 2022  
Ankur Mitra  
Chief Financial Officer  
Place: New Delhi  
Date: 12 May 2022

Vibhav Agarwal  
Managing Director  
DIN: 03174271  
Place: Mumbai  
Date: 12 May 2022

Lalit Narayan Mathpati  
Company Secretary  
Place: New Delhi  
Date: 12 May 2022

# Consolidated Statement of Profit and Loss

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Revenue</b>			
Revenue from operations	26	325,951.86	155,986.12
Other income	27	40,964.09	107,429.51
		<b>366,915.95</b>	<b>263,415.63</b>
<b>Expenses</b>			
Cost of fuel, power and water consumed	28	225,098.68	73,002.86
Employee benefits expense	29	5,003.62	7,899.98
Finance costs	30	234,178.67	224,069.07
Depreciation and amortisation expense	31	41,445.32	41,551.90
Other expenses	32	15,560.66	11,077.39
		<b>521,286.95</b>	<b>357,601.20</b>
<b>Loss before tax and exceptional items</b>		<b>(154,371.00)</b>	<b>(94,185.57)</b>
Less: Exceptional item	54	43,773.00	-
<b>Loss before tax</b>		<b>(198,144.00)</b>	<b>(94,185.57)</b>
<b>Tax expense:</b>	45		
Current tax		-	0.71
Deferred tax		-	-
<b>Loss for the year</b>		<b>(198,144.00)</b>	<b>(94,186.28)</b>
<b>Other comprehensive income</b>			
A. Items that will not be reclassified to profit or loss			
i) Re-measurements of defined benefit plans		(51.72)	558.88
B. Items that will be reclassified to profit or loss			
i) Exchange differences in translating the foreign operations		(3.93)	3.01
<b>Other comprehensive income for the year</b>		<b>(55.65)</b>	<b>561.89</b>
<b>Total comprehensive loss for the year</b>		<b>(198,199.65)</b>	<b>(93,624.39)</b>
<b>Loss for the year attributable to:</b>			
Owner		(198,144.00)	(94,160.86)
Non-controlling interest		-	(25.42)
		<b>(198,144.00)</b>	<b>(94,186.28)</b>
<b>Other comprehensive income for the year attributable to:</b>			
Owner		(55.65)	561.89
Non-controlling interest		-	-
		<b>(55.65)</b>	<b>561.89</b>
<b>Total comprehensive loss for the year attributable to:</b>			
Owner		(198,199.65)	(93,598.97)
Non-controlling interest		-	(25.42)
		<b>(198,199.65)</b>	<b>(93,624.39)</b>
<b>Earnings per equity share</b>			
Basic (₹)	38	(3.69)	(1.88)
Diluted (₹)		(3.69)	(1.88)

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

**Rohit Arora**  
Partner  
Membership No. : 504774

Place: New Delhi  
Date: 12 May 2022

For and on behalf of the Board of Directors

**Rajiv Rattan**  
Chairman  
DIN: 00010849  
Place: London, UK  
Date: 12 May 2022

**Ankur Mitra**  
Chief Financial Officer  
Place: New Delhi  
Date: 12 May 2022

**Vibhav Agarwal**  
Managing Director  
DIN: 03174271  
Place: Mumbai  
Date: 12 May 2022

**Lalit Narayan Mathpati**  
Company Secretary  
Place: New Delhi  
Date: 12 May 2022

# Consolidated Statement of Changes in equity



of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

## A Equity share capital (refer note 17)

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

As at 31 March 2021

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	493,978.17	-	493,978.17	43,032.42	537,010.59

## B Other equity (refer note 18)

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 2020	24,186.21	187,124.56	30,938.69	33.48	(693,306.35)	(451,023.41)	(360.24)	(451,383.65)
Loss for the year	-	-	-	-	(94,160.86)	(94,160.86)	(25.42)	(94,186.28)
Other comprehensive income	-	-	3.01	-	558.88	561.89	-	561.89
Employee's stock options vested (refer note 36)	-	-	-	5.51	-	5.51	-	5.51
Adjustment during the year (refer note 19 (A)(x))	-	-	-	-	(34,856.26)	(34,856.26)	-	(34,856.26)
Other adjustments (refer note 51)	-	-	-	-	(20,048.13)	(20,048.13)	-	(20,048.13)
<b>Balance as at 31 March 2021</b>	<b>24,186.21</b>	<b>187,124.56</b>	<b>30,941.70</b>	<b>38.99</b>	<b>(841,812.72)</b>	<b>(599,521.26)</b>	<b>(385.66)</b>	<b>(599,906.92)</b>
Loss for the year	-	-	-	-	(198,144.00)	(198,144.00)	-	(198,144.00)
Other comprehensive income	-	-	(3.93)	-	(51.72)	(55.65)	-	(55.65)
Other adjustments (refer note 51)	-	-	-	-	(5,469.62)	(5,469.62)	385.66	(5,083.96)
<b>Balance as at 31 March 2022</b>	<b>24,186.21</b>	<b>187,124.56</b>	<b>30,937.77</b>	<b>38.99</b>	<b>(1,045,478.06)</b>	<b>(803,190.53)</b>	<b>-</b>	<b>(803,190.53)</b>

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 Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

**Rohit Arora**  
Partner  
Membership No. : 504774

Place: New Delhi  
Date: 12 May 2022

For and on behalf of the Board of Directors

**Rajiv Rattan**  
Chairman  
DIN: 00010849  
Place: London, UK  
Date: 12 May 2022

**Ankur Mitra**  
Chief Financial Officer  
Place: New Delhi  
Date: 12 May 2022

**Vibhav Agarwal**  
Managing Director  
DIN: 03174271  
Place: Mumbai  
Date: 12 May 2022

**Lalit Narayan Mathpati**  
Company Secretary  
Place: New Delhi  
Date: 12 May 2022

# Consolidated Cash flow statement

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(198,144.00)	(94,185.57)
<b>Adjustments for:</b>		
Depreciation/ amortisation expense	41,445.32	41,551.90
Gain on fair value recognition of debts	(5,360.31)	-
Interest income	(1,348.74)	(1,414.22)
Profit on sale of mutual fund	(5.31)	(62.28)
(Profit)/ loss on foreign currency transaction and translation (net)	(100.35)	359.02
Finance costs	234,178.67	224,069.07
Investment/ receivables written off	767.52	-
Unclaimed balances and excess provisions written back	(494.31)	(36,394.21)
Profit on sale/strike off of subsidiaries during the year	(7,558.04)	(41,799.35)
Exceptional Items (CWIP write off)	43,773.00	-
Discount in debt repayment	-	(2,025.00)
<b>Operating profit before working capital changes</b>	<b>107,153.45</b>	<b>90,099.36</b>
<b>Movement in working capital</b>		
Decrease in inventories	14,076.06	37,658.76
Decrease/ (increase) in other financial assets	176.49	(15,832.67)
Decrease in other assets	1,015.85	9,679.88
Increase in trade and other receivables	(26,106.61)	(41,612.14)
Increase in other financial liabilities	2,253.49	25,985.49
Decrease in other liabilities	(6,905.63)	(37,451.72)
Increase in trade and other payables	1,901.11	1,532.89
<b>Cash flow generated from operating activities post working capital changes</b>	<b>93,564.21</b>	<b>70,059.85</b>
Income tax refund/ (paid)	(155.45)	3,583.31
<b>Net cash flow generated from operating activities (A)</b>	<b>93,408.76</b>	<b>73,643.16</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	(1,480.95)	(371.36)
Loans (given)/ taken back (net)	-	(5,360.79)
Movement in current investments (net)	(339.58)	27,513.17
Movement in fixed deposits (net)	6,121.66	(13,616.97)
Interest received	1,207.88	1,933.19
<b>Net cash flows generated from investing activities (B)</b>	<b>5,509.01</b>	<b>10,097.24</b>

# Consolidated Cash flow statement *(Contd.)*

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term borrowings	(73,471.00)	(48,047.39)
(Repayment of)/ proceeds from short-term borrowings (net)	779.84	(24,247.53)
Finance cost paid	(22,535.08)	(7,208.95)
<b>Net cash flows used in financing activities (C)</b>	<b>(95,226.24)</b>	<b>(79,503.87)</b>
<b>Increase in cash and cash equivalents (A+B+C)</b>	<b>3,691.53</b>	<b>4,236.53</b>
Cash and cash equivalents at the beginning of the year	10,853.13	6,616.60
<b>Cash and cash equivalents at the end of the year</b>	<b>14,544.66</b>	<b>10,853.13</b>
<b>Note</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 as per note 14	15,022.20	11,375.96
Less: Book overdraft as per note 21	477.54	522.83
	<b>14,544.66</b>	<b>10,853.13</b>

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 Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

**Rohit Arora**  
Partner  
Membership No. : 504774

Place: New Delhi  
Date: 12 May 2022

For and on behalf of the Board of Directors

**Rajiv Rattan**  
Chairman  
DIN: 00010849  
Place: London, UK  
Date: 12 May 2022

**Ankur Mitra**  
Chief Financial Officer  
Place: New Delhi  
Date: 12 May 2022

**Vibhav Agarwal**  
Managing Director  
DIN: 03174271  
Place: Mumbai  
Date: 12 May 2022

**Lalit Narayan Mathpati**  
Company Secretary  
Place: New Delhi  
Date: 12 May 2022

# Notes to the Consolidated Financial Statements

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

## 1 Corporate Information

### Nature of Operations

RattanIndia Power Limited (the 'Holding Company' 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 the Holding 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 consolidated financial statements for the year ended 31 March 2022 were approved by the Board of Directors on 12 May 2022.

## 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 read with the Companies [Indian Accounting Standards ("Ind AS")] 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) Overall consideration

The 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.

#### Basis of preparation

The 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

#### 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;
- it is due to be settled within 12 months after the reporting date; or

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



- 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.

## 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	% of holding as at 31 March 2022	% of holding as at 31 March 2021
Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited)	Subsidiary	India	100%	100%
Poena Power Development Limited	Subsidiary	India	100%	100%
Sinnar Power Transmission Company Limited*	Subsidiary	India	54.44%	100%
Diana Energy Limited**	Subsidiary	India	-	74%
Devona Power Limited**	Subsidiary	India	-	74%
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 the Company.

\*\* The respective companies have filed for strike off with MCA during the year and the same is under process.

## b) 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 plant

Revenue from operation of plant is recognised on transfer of significant risks and rewards of ownership of the output of the plant 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 Group with the procurer/s of power.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

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. Sales exclude Sales tax and Value Added Tax, where applicable. Revenue from Power generated during trial runs is accounted on the basis of accruals and is reduced from the cost of the plant.

Refer policy on leased assets for accounting policy of customer contracts that contain a lease.

### *Service income*

Revenue from Power Consultancy/ Advisory Services is recognised when services are rendered.

### *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.

## **c) 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.

## **d) 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 capitalisation 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/ COD.

### *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.

## e) Intangible assets

### *Recognition and initial measurement*

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation 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 measurement (amortisation)*

The cost of capitalized software is amortized over a period in the range of three to five years from the date of its acquisition.

## f) 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 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 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 Group has the right to direct the use of the identified asset throughout the period of use.

The Group assesses 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 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.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

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 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 impact to P&L on account of straightlining.

### g) 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.

### h) 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 or fair value through other comprehensive income.

## 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 Fair Value through other comprehensive income or Fair value through profit and loss based on Group's business model. All investment in mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (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

### *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.

### i) 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 carried at amortised cost.

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 simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### *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.

### **j) 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 cost to make the sale.

### **k) 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 income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 and in the overseas branches/ companies as per the respective tax laws. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

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 income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. 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 year 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 statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of reversal of temporary differences and it is probable that the differences will not be reversed in the foreseeable future.

### **l) 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.

### **m) 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 post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the 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.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



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.

#### *Other long-term 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.

### **n) Share based payments**

The Group 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.

### **o) 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.

### **p) 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.

### **q) Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### *Significant management judgements*

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements:

**Determining whether an arrangement contains a lease** – Whether an arrangement contains a lease depends on whether 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.

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties under the relevant tax jurisdiction (see note 7).

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**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.

**Recoverability of advances/ receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**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 Group assesses the requirement of provisions. However the actual future outcome may be different from this judgement.

### **Significant estimates**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

**Classification of leases** – The classification of the leasing arrangement as a finance lease or operating lease requires several estimates like present value of unguaranteed residual value and present value of minimum lease payments.

### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit (CGU) 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. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

# Notes to the Consolidated Financial Statements *(Contd.)*

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



## **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. 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.

## **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 and other plant and equipment.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(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 on 1 April 2020	21,703.68	45,385.69	11.73	1,487,006.14	548.02	1,181.54	566.80	492.02	54.50	41.04	56,658.11	1,613,649.26
Additions	-	-	-	29.78	-	-	12.96	2.89	15.43	-	-	61.06
Adjustment - reclassified to right of use	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/ adjustments	-	-	-	-	-	8.59	-	-	-	-	-	8.59
<b>Balance as on 31 March 2021</b>	<b>21,703.68</b>	<b>45,385.69</b>	<b>11.73</b>	<b>1,487,035.92</b>	<b>548.02</b>	<b>1,172.95</b>	<b>579.76</b>	<b>494.91</b>	<b>69.93</b>	<b>41.04</b>	<b>56,658.11</b>	<b>1,613,701.73</b>
Additions	-	-	-	143.48	0.75	44.19	18.76	5.90	9.39	-	-	222.47
Adjustment - reclassified to right of use	-	-	-	-	-	-	-	-	-	-	-	-
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>
<b>Accumulated Depreciation</b>												
Balance as on 1 April 2020	-	9,802.34	2.69	165,640.70	487.13	1,117.93	516.83	458.10	53.99	41.04	17,885.04	196,005.79
Additions	-	1,798.80	0.19	35,217.97	19.92	26.54	25.19	33.72	1.34	-	4,001.19	41,124.86
Adjustment - reclassified to right of use	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/ adjustments	-	-	-	-	-	8.59	-	-	-	-	-	8.59
<b>Balance as on 31 March 2021</b>	<b>-</b>	<b>11,601.14</b>	<b>2.88</b>	<b>200,858.67</b>	<b>507.05</b>	<b>1,135.88</b>	<b>542.02</b>	<b>491.82</b>	<b>55.33</b>	<b>41.04</b>	<b>21,886.23</b>	<b>237,122.06</b>
Additions	-	1,772.68	0.19	35,208.55	12.67	17.86	16.25	2.36	7.28	-	4,001.19	41,039.03
Adjustment - reclassified to right of use	-	-	-	-	-	-	-	-	-	-	-	-
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>
<b>Net carrying amount</b>												
Balance as on 31 March 2021	21,703.68	33,784.55	8.85	1,286,177.25	40.97	37.07	37.74	3.09	14.60	-	34,771.88	1,376,579.67
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

(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 projects. (refer note 19).

(ii) Including ₹ 337.35 lakhs, registration for which is in process with the Registration Authority.

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 company
Land	337.35	Various land owners	No	Eight years	Registration is in process

(iii) Refer note 44 for pledge of property, plant and equipments

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

### 4A Capital work in progress

Particulars	CWIP	Total
<b>Balance as at 1 April 2020</b>	158,409.08	158,409.08
Additions	15.68	15.68
Disposals/ adjustments	993.85	993.85
<b>Balance as at 31 March 2021</b>	<b>157,430.91</b>	<b>157,430.91</b>
Addition	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</b>	<b>114,220.32</b>	<b>114,220.32</b>

The CWIP projects are active and the management is in process of completing the same with other activities in due course. Considering the recent developments enumerated in note 57, the Group management has assessed the CWIP related to Sinner Thermal Power Limited also to be active and is hopeful of the project getting completed along with other activities in the near future.

#### Capital work in progress ageing schedule :-

Particulars	Less than 1 year	1-2 year	2-3 Years	More than 3 years	Total
31 March 2022	1,162.57	15.68	1,598.10	111,443.96	114,220.32
31 March 2021	15.68	1,598.10	44,030.45	111,786.68	157,430.91
<b>Total</b>	<b>1,162.57</b>	<b>15.68</b>	<b>1,598.10</b>	<b>111,443.96</b>	<b>114,220.32</b>
	<b>15.68</b>	<b>1,598.10</b>	<b>44,030.45</b>	<b>111,786.68</b>	<b>157,430.91</b>

### 4B Right of use

Particulars	Right of use	Total
<b>Gross carrying amount</b>		
<b>Balance as at 1 April 2020</b>	<b>25,796.80</b>	<b>25,796.80</b>
Additions	-	-
Disposal/ adjustments	220.73	220.73
<b>Balance as at 31 March 2021</b>	<b>26,017.53</b>	<b>26,017.53</b>
Addition	1,536.80	1,536.80
Disposal/ adjustments	-	-
<b>Balance as at 31 March 2022</b>	<b>27,554.33</b>	<b>27,554.33</b>
<b>Accumulated depreciation</b>		
<b>Balance as at 1 April 2020</b>	<b>2,469.71</b>	<b>2,469.71</b>
Additions	418.87	418.87
Disposal/ adjustments	220.73	220.73
<b>Balance as at 31 March 2021</b>	<b>3,109.31</b>	<b>3,109.31</b>
Additions	398.45	398.45
Disposal/ adjustments	-	-
<b>Balance as at 31 March 2022</b>	<b>3,507.76</b>	<b>3,507.76</b>
<b>Net carrying amount</b>		
<b>Balance as at 31 March 2021</b>	<b>22,908.22</b>	<b>22,908.22</b>
<b>Balance as at 31 March 2022</b>	<b>24,046.57</b>	<b>24,046.57</b>

(i) Refer note 44 for pledge of right of use

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### 5 Intangible assets

Particulars	Software	Goodwill	Total
<b>Gross carrying amount</b>			
Balance as on 1 April 2020	769.04	31.23	800.27
Additions	-	-	-
<b>Balance as on 31 March 2021</b>	<b>769.04</b>	<b>31.23</b>	<b>800.27</b>
Additions	26.70	-	26.70
<b>Balance as on 31 March 2022</b>	<b>795.74</b>	<b>31.23</b>	<b>826.97</b>
<b>Accumulated amortisation</b>			
Balance as on 1 April 2020	755.59	31.23	786.82
Additions	8.17	-	8.17
Disposals/ adjustments	-	-	-
<b>Balance as on 31 March 2021</b>	<b>763.76</b>	<b>31.23</b>	<b>794.99</b>
Additions	7.84	-	7.84
Disposals/ adjustments	-	-	-
<b>Balance as on 31 March 2022</b>	<b>771.60</b>	<b>31.23</b>	<b>802.83</b>
<b>Net carrying amount</b>			
Balance as on 31 March 2021	5.28	-	5.28
Balance as on 31 March 2022	24.14	-	24.14

- (i) Non current and current secured borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future (refer note 19).

### 6 Other financial assets

	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
Unbilled revenue	-	-	29,655.65	30,275.62
Accrued income	-	-	21.93	24.39
Bank deposits for original maturity more than 12 months <sup>(i)</sup>	1,796.71	6,400.61	-	-
Lease recoverables	486.23	-	225.44	-
Security deposits	1,305.54	958.78	168.17	222.49
Advances recoverable				
Employees	-	-	8.45	9.06
Others	-	-	23.52	23.52
	<b>3,588.48</b>	<b>7,359.39</b>	<b>30,103.16</b>	<b>30,555.08</b>

- (i) Deposits are under lien/ pledged including against bank guarantees, refer note 33 B (II)

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

## 7 Deferred tax assets (net)

	31 March 2022	31 March 2021
	<b>Non-current</b>	
<b>Tax effect of items constituting deferred tax liabilities</b>		
Property, plant and equipment	(237,138.81)	(234,078.37)
Borrowings	(32.48)	-
	<b>(237,171.29)</b>	<b>(234,078.37)</b>
<b>Tax effect of items constituting deferred tax assets</b>		
Borrowings	177,710.29	127,229.04
Employee benefit obligations	227.62	215.32
Lease liability	954.60	-
Lease equalisation reserve	23,343.67	26,056.11
Security deposits	-	0.09
Unabsorbed depreciation and brought forward business losses	33,726.89	80,577.81
Others	1,208.22	-
Tax credit (minimum alternate tax)	-	0.65
	<b>237,171.29</b>	<b>234,079.02</b>
<b>Deferred tax assets (net)</b>	<b>-</b>	<b>0.65</b>

## Movement in deferred tax assets/ (liabilities)

	As at 1 April 2021	Recognized in profit or loss	Recognized in other comprehensive income	Derecognition on sale of subsidiary	As at 31 March 2022
<b>Tax effect of items constituting deferred tax liabilities</b>					
Property, plant and equipment including capital work in progress and intangibles	(234,078.37)	(3,060.44)	-	-	(237,138.81)
Security deposits	-	(32.48)	-	-	(32.48)
	<b>(234,078.37)</b>	<b>(3,092.92)</b>	<b>-</b>	<b>-</b>	<b>(237,171.29)</b>
<b>Tax effect of items constituting deferred tax assets</b>					
Borrowings	127,229.04	50,481.25	-	-	177,710.29
Employee benefit obligations	215.32	(0.72)	13.02	-	227.62
Lease liability	-	954.60	-	-	954.60
Lease equalisation reserve	26,056.11	(2,712.44)	-	-	23,343.67
Security deposits	0.09	(0.09)	-	-	-
Unabsorbed depreciation and brought forward business losses	80,577.81	(46,837.90)	(13.02)	-	33,726.89
Others	-	1,208.22	-	-	1,208.22
Tax credit (minimum alternate tax)	0.65	-	-	(0.65)	-
	<b>234,079.02</b>	<b>3,092.92</b>	<b>-</b>	<b>(0.65)</b>	<b>237,171.29</b>
<b>Deferred tax assets (net)</b>	<b>0.65</b>	<b>-</b>	<b>-</b>	<b>(0.65)</b>	<b>-</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

	As at 1 April 2020	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2021
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment including capital work in progress and intangibles	(244,533.80)	10,455.43	-	(234,078.37)
Borrowings	(26,003.72)	26,003.72	-	-
Retention money	-	-	-	-
	<u>(270,537.52)</u>	<u>36,459.15</u>	<u>-</u>	<u>(234,078.37)</u>
<b>Tax effect of items constituting deferred tax assets</b>				
Borrowings	-	127,229.04	-	127,229.04
Employee benefit obligations	5,409.05	(5,053.07)	(140.66)	215.32
Lease equalisation reserve	27,414.04	(1,357.93)	-	26,056.11
Security deposits	2.35	(2.26)	-	0.09
Unabsorbed depreciation and brought forward business losses	237,578.02	(157,140.87)	140.66	80,577.81
Others	134.06	(134.06)	-	-
Tax credit (minimum alternate tax)	0.65	-	-	0.65
	<u>270,538.17</u>	<u>(36,459.15)</u>	<u>-</u>	<u>234,079.02</u>
<b>Deferred tax assets (net)</b>	<u>0.65</u>	<u>-</u>	<u>-</u>	<u>0.65</u>

The Group has 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 ₹ 626,241.20 lakhs are available for offset for a maximum period of eight years from the incurrence of loss.

8 Non-current tax assets (net)	31 March 2022	31 March 2021
	Non-current	
Advance income tax (net of provision)	946.69	807.85
	<u>946.69</u>	<u>807.85</u>

9 Other assets (unsecured, considered good)	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
Capital advances	409.85	1,149.85	-	-
Other advances	-	-	14,709.87	14,786.71
Prepaid expenses	168.54	314.04	1,292.72	1,910.06
Balances with statutory authorities	-	52.11	-	0.89
	<u>578.39</u>	<u>1,516.00</u>	<u>16,002.59</u>	<u>16,697.66</u>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



## 10 Assets held for sale (₹ 1/-)

Investment in equity share (refer note 51)  
Less : Provision for diminution in value of investment

	31 March 2022	31 March 2021
	<b>Non-current</b>	
	2,753.93	-
	(2,753.93)	-
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>

## 11 Inventories (Valued at cost, unless otherwise stated)

Coal - Stores<sup>(i)</sup>  
Light diesel oil - stores  
Stores and spares  
Other consumables<sup>(ii)</sup>

	31 March 2022	31 March 2021
	9,144.77	23,962.69
	482.44	342.07
	3,004.90	2,660.96
	1,031.92	774.37
	<u>13,664.03</u>	<u>27,740.09</u>
	<u><u>13,664.03</u></u>	<u><u>27,740.09</u></u>

(i) Includes in transit ₹ 1,124.73 lakhs (31 March 2021: ₹ 684.85 lakhs)  
(ii) Includes in transit ₹ 96.76 lakhs (31 March 2021: ₹ 6.54 lakhs)

## 12 Current investments (Unquoted, non-trade, FVTPL)

Investments in mutual funds  
120,159.11 (31 March 2021 : 11,129.46) units in  
ICICI Liquid Prudential Fund-Direct Plan Growth

	31 March 2022	31 March 2021
	378.81	33.92
	<u>378.81</u>	<u>33.92</u>
	<u><u>378.81</u></u>	<u><u>33.92</u></u>
Aggregate amount of book value and market value of quoted investments	-	-
Aggregate amount of unquoted investments	378.81	33.92
Aggregate amount of impairment in value of investments	-	-

## 13 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

	31 March 2022	31 March 2021
	-	-
	221,240.77	195,134.16
	-	-
	-	-
	<u>221,240.77</u>	<u>195,134.16</u>
	<u><u>221,240.77</u></u>	<u><u>195,134.16</u></u>

\*The Holding Company had received Irrevocable Revolving Standby Letter of credit amounting to ₹ 18,206.00 lakhs (31 March 2021 : ₹ 18,206.00 lakhs) from Maharashtra State Electricity Distribution Co Limited (MSEDCL) as per Power Purchase Agreement.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

Trade receivable ageing schedule for 31 March 2022 and 31 March 2021 is as follows:

Particulars	Year	Outstanding for following periods from due date of payment						Total
		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	2021-22	-	36,379.50	21.49	-	-	-	36,400.99
	2020-21	-	49,296.34	-	-	-	-	49,296.34
Undisputed Trade receivable- credit impaired	2021-22	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-
Disputed Trade receivable- considered good	2021-22	-	20,465.98	5,912.86	22,579.56	24,403.37	111,478.01	184,839.78
	2020-21	-	3,957.36	13,938.69	22,980.98	24,883.05	80,077.74	145,837.82
Disputed Trade receivable- credit impaired	2021-22	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-
<b>Total Gross</b>	2021-22							<b>221,240.77</b>
	2020-21							<b>195,134.16</b>
<b>Less: Allowance from credit loss</b>	2021-22							-
	2020-21							-
<b>Net receivable</b>	2021-22							<b>221,240.77</b>
	2020-21							<b>195,134.16</b>

### 14 Cash and cash equivalents

	31 March 2022	31 March 2021
Cash on hand	15.20	11.93
Balances with banks		
Current accounts	7,875.86	7,123.34
Deposits with original maturity of less than 3 months <sup>(i)</sup>	7,131.14	4,240.69
	<b>15,022.20</b>	<b>11,375.96</b>

(i) Deposits are under lien/ pledged including against bank guarantees, refer note 33 B (II)

### 15 Other bank balances

	31 March 2022	31 March 2021
Fixed deposits original maturity for more than 3 months but less than 12 months <sup>(i)</sup>	11,992.20	13,401.49
	<b>11,992.20</b>	<b>13,401.49</b>

(i) Deposits are under lien/ pledged including against bank guarantees, refer note 33 B (II)

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



### 16 Loans (Unsecured, considered good)

	31 March 2022	31 March 2021
	<b>Current</b>	
Loans to:		
Employees	0.32	0.32
Others	-	-
	<b>0.32</b>	<b>0.32</b>

### 17 Equity share capital

#### Authorised capital

8,500,000,000 (31 March 2021: 8,500,000,000)  
equity shares of ₹ 10 each

2,500,000,000 (31 March 2021: 2,500,000,000)  
redeemable preference shares of ₹ 10 each

	31 March 2022	31 March 2021
8,500,000,000 (31 March 2021: 8,500,000,000) equity shares of ₹ 10 each	850,000.00	850,000.00
2,500,000,000 (31 March 2021: 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 2021: 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>

#### Issued, subscribed and fully paid up capital

5,370,105,860 (31 March 2021: 5,370,105,860)  
equity shares of ₹ 10 each fully paid up

#### a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	As at 31 March 2022		As at 31 March 2021	
	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	4,939,781,691	493,978.17
Add : Issued during the year	-	-	430,324,169	43,032.42
<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>

During the previous year, 430,324,169 Compulsorily Convertible Debentures (CCDs) were converted into equivalent numbers of equity shares of face value of ₹ 10 each amounting to ₹ 43,032.42 lakhs.

#### 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 Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### c) Details of shareholders holding more than 5% shares in the Holding Company

	As at 31 March 2022		As at 31 March 2021	
	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%	1,185,000,000	22.07%
Aditya Birla ARC Limited	556,821,950	10.37%	805,724,169	15.00%
RR Infralands Private Limited	1,302,143,592	24.25%	1,188,224,169	22.13%

### d) Aggregate number of shares reserved for issuance under stock option plans of the Company

	31 March 2022	31 March 2021
RPL ESOP- 2008 (Formerly known as SPCL – IPSL ESOP, 2008)	2,400	300,600
RPL ESOS 2009 (Formerly known as IPL ESOS 2009)	20,400	75,200
RPL ESOS 2011 (Formerly known as IPL ESOS - 2011)	60,000	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 as at 31 March 2022

Promoter Name		No of shares	% of total shares	% change during the year
RR Infralands Private Limited	31 March 2022	1,302,143,592	24.25%	2.12%
	31 March 2021	1,188,224,169	22.13%	6.79%
RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited)	31 March 2022	1,063,960,011	19.81%	-2.25%
	31 March 2021	1,185,000,000	22.07%	-1.92%

### 18 Other equity

	31 March 2022	31 March 2021
Retained earnings	(1,045,478.06)	(841,812.72)
Capital reserve	24,186.21	24,186.21
Securities premium	187,124.56	187,124.56
Employee stock option reserve	38.99	38.99
Foreign currency translation reserve	30,937.77	30,941.70
	<b>(803,190.53)</b>	<b>(599,521.26)</b>

#### Nature and purpose of other reserves

##### Capital reserve

Capital reserve is created out of the capital profits. It is created out of the profits from some specific transactions of capital nature. 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.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



## Employee's stock options reserve

The reserve account is used to recognise 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.

## 19 Borrowings

	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
<b>Secured</b>				
<b>Term loans</b>				
From consortium of banks (refer footnote (b), (c))	60,504.30	75,073.80	81,362.05	68,151.64
From consortium of financial institutions (refer footnote (b), (c))	339,549.09	401,145.19	230,433.34	181,795.16
0.001% Redeemable Preference Shares (refer footnote (a))	20,286.82	22,769.82	-	-
0.001% Optionally Convertible Cumulative RPS (refer footnote (a))	37,692.00	37,692.00	-	-
Facility A - Non-convertible debentures (refer footnote (a))	-	134,000.00	124,625.00	50,000.00
NCD Facility B (refer footnote (a))	57,404.29	68,950.84	-	-
<b>Unsecured</b>				
Loan Facility C (refer footnote (a))	46,102.53	42,106.52	-	-
<b>Loans from related parties</b>				
Inter corporate deposits (refer footnote (a))	20,696.01	19,175.57	-	-
Elevated inter corporate deposits (refer footnote (a))	56,347.54	51,463.52	-	-
Sub ordinate inter corporate deposits (refer footnote (a))	74,408.22	67,965.91	-	-
	<b>712,990.80</b>	<b>920,343.17</b>	<b>436,420.39</b>	<b>299,946.80</b>

### (a) For RattanIndia Power Limited (Amravati Project)

- i) During the previous year, consequent to and upon conversion of the amount outstanding against the Facility A, after adjusting the repayments of the principal amounts made by the Company, 196,500 Facility A - non-convertible debentures ('Facility A NCDs') of face value ₹ 100,000/- each was 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, upto the date of issuance and allotment of NCDs.
- ii) During the year, prepayment was made of ₹ 9,375 lakhs (31 March 2021 : ₹ Nil) against Facility A NCD and ₹ 15,625.34 lakhs (31 March 2021 : ₹ Nil) against Facility B along with accrued interest. As per the terms of the Framework Facilities Agreement with ABARC, the Company is required to mandatorily prepay 75% of excess MSEDCL receivables.
- iii) Facility A NCD aggregating to ₹ 124,625 lakhs (31 March 2021: ₹ 184,000 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 continuing bank guarantee (Non Fund based facility) upto ₹ 24,472 lakhs;
  - b) pledge of 2,104,649,446 (31 March 2021 : 2,104,649,446) equity shares of the Company held by RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited ("REL") and RR Infralands Private Limited and 430,324,169 CCDs held by RR Infralands Private Limited through execution of a Deed of Pledge amongst

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

- RIL, 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) The Facility B amounting to ₹ 57,404.29 lakhs (31 March 2021: ₹ 68,950.84 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 and facility A1. Further the facility B 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 and facility A1.
- 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) 0.001% RPS - Redeemable in bullet repayment of ₹ 25,000 lakhs in December 2021;
- b) 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.
- c) 12.25% NCD - Repayable in quarterly instalment of ₹ 12,500 lakhs upto 30 September 2022 and thereafter ₹ 109,000 lakhs during quarter ended December 2022;
- d) Loan Facility B - Repayable in bullet repayment of ₹ 66,550 lakhs in June 2023;
- e) Loan Facility C - Repayable in bullet repayment of ₹ 45,000 lakhs in December 2025;
- f) Intercorporate deposit - Repayable in bullet repayment of ₹ 20,320 lakhs in January 2026;
- g) Elevated intercorporate deposit - Repayable in bullet repayment of ₹ 55,000 lakhs in December 2025.
- h) Subordinate intercorporate deposit - Repayable in bullet repayment of ₹ 72,815 lakhs in December 2025.
- 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) Further, subsequent to the year- end, RPL has made additional prepayment of ₹ 200 Cr to ABARC towards facilities availed by RPL.
- ix) The Company, under the One Time Settlement scheme (OTS), had issued 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 states 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 is currently in active discussions with the RPS holders and is confident that the tenure of such RPS shall get extended by another 24 months, following the defined process under the Act and accordingly, such RPS continue to be classified as "long- term borrowings".
- x) During the previous year, 430,324,169 CCD amounting to ₹ 8,176.16 lakhs which were issued to RRIPL were converted into equivalent number of equity shares of face value of ₹ 10 each amounting to ₹ 43,032.42 lakhs and therefore, corresponding fair value impact of ₹ 34,856.26 lakhs was adjusted in retained earnings.

### (b) For Sinnar Thermal Power Limited (STPL) (Nasik Project)

- (i) Loans from consortium of banks aggregating to ₹ 141,884.65 lakhs (31 March 2021: ₹ 141,330.57 lakhs ) and from financial institutions aggregating to ₹ 569,046.03 lakhs (31 March 2020: ₹ 568,833.33 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 1. The aforesaid phase 1 loans are further secured by pledge of 31,977,246 (31 March 2020: 31,977,246) equity shares of the 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 the Company is pledged as security for the due repayment of the Secured Obligation.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



(ii) Term loan from consortium of banks and financial institutions are repayable in quarterly installments as follows:

Financial year	31 March 2022*			31 March 2021*		
	Financial institutions	Banks	Total	Financial institutions	Banks	Total
2021-22	-	-	-	44,696.73	14,793.10	59,489.83
2022-23	48,630.46	14,793.10	63,423.56	48,630.46	14,793.10	63,423.56
2023-24	41,898.74	14,793.10	56,691.84	41,898.74	14,793.10	56,691.84
2024-25	41,898.74	14,793.10	56,691.84	41,898.74	14,793.10	56,691.84
2025-26	41,898.74	14,793.10	56,691.84	41,898.74	14,793.10	56,691.84
2026-27	41,898.74	14,793.10	56,691.84	41,898.74	14,793.10	56,691.84
2027-28	41,898.74	1,332.00	43,230.74	41,898.74	1,332.00	43,230.74
2028-29	41,898.74	-	41,898.74	41,898.74	-	41,898.74
2029-30	32,158.48	-	32,158.48	32,158.48	-	32,158.48
2030-31	22,418.22	-	22,418.22	22,418.22	-	22,418.22
2031-32	22,418.22	-	22,418.22	22,418.22	-	22,418.22
2032-33	11,161.70	-	11,161.70	11,161.70	-	11,161.70
	<b>388,179.55</b>	<b>75,297.50</b>	<b>463,477.05</b>	<b>432,876.29</b>	<b>90,090.60</b>	<b>522,966.89</b>

\* The above schedule is based on sanction letters without considering the impact of defaults made by STPL.

- (iii) The above mentioned loans from consortium of banks and financial institutions carry floating rates of interest ranging from 12.85% p.a. to 15.15% p.a. (31 March 2021: 12.85% p.a. to 15.15% p.a.).
- (iv) STPL has defaulted in repayment of principal and interest in respect of loans from bank and financial institutions as mentioned below:

	0-3 Months	3-12 Months	More than 12 Months	Total
<b>Consortium financial institution</b>				
Principal	11,174.18	33,522.55	137,106.14	<b>181,802.87</b>
Interest	20,201.82	59,946.70	466,608.97	<b>546,757.49</b>
<b>Total</b>	<b>31,376.00</b>	<b>93,469.25</b>	<b>603,715.11</b>	<b>728,560.36</b>
<b>Consortium banks</b>				
Principal	3,698.28	11,094.83	51,775.74	<b>66,568.85</b>
Interest	4,722.03	25,634.00	94,967.24	<b>125,323.27</b>
<b>Total</b>	<b>8,420.31</b>	<b>36,728.83</b>	<b>146,742.98</b>	<b>191,892.12</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### (c) For Sinnar Power Transmission Company Limited (SPTCL)

(i) Term loan from financial institutions are repayable in quarterly installments as follows:

Financial year	Financial year	Amount	Financial year	Amount
*Common Rupee Term Loan from Power Finance Corporation Limited is secured by way of mortgage and charge on all immovable properties relating to project, both present and future and is repayable to Power Finance Corporation Limited in 50 quarterly installments commencing from 15 October 2020 and ending on 15 January 2033. The loans are further secured by pledge of 710,431 (31 March 2021: 920,010) equity shares of the company in favour of Power Finance Corporation Limited.	2020-21	-	2027-28	1,263.25
	2021-22	-	2028-29	1,263.25
	2022-23	1,263.25	2029-30	1,263.25
	2023-24	1,263.25	2030-31	1,263.25
	2024-25	1,263.25	2031-32	1,263.25
	2025-26	1,263.25	2032-33	1,597.16
	2026-27	1,263.25		

(ii) The above mentioned loans from Power Finance Corporation Limited of ₹ 10,496.93 lakhs is at interest rate of 12.50% p.a. and ₹ 5,627.61 lakhs is at interest rate of 13.25% p.a.

(iii) Interest ₹ 999.14 lakhs for the period of 15 January 2020 to 14 July 2020 has been converted as principal amount by PFC due to moratorium period and same will be payable after repayment period hence not treated as default. As per confirmation received from Power Finance Corporation, interest of ₹ 33.60 lakhs, earlier converted into principal has been reversed during the year. Therefore, outstanding interest converted into principal as at 31 March, 2022 is ₹ 965.54 lakhs.

(iv) SPTCL has defaulted in repayment of principal and interest in respect of loans from bank and financial institutions as mentioned below:

	0-3 Months	3-12 Months	More than 12 Months	Total
<b>Loan from Power Finance Corporation</b>				
- Principal	315.81	947.44	631.63	1,894.88
- Interest	638.70	1,777.47	1,092.33	3,508.50
<b>Total</b>	<b>954.51</b>	<b>2,724.91</b>	<b>1,723.96</b>	<b>5,403.38</b>

### 20 Lease liabilities

	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
Lease liabilities	3,037.64	1,578.97	862.27	185.97
	<b>3,037.64</b>	<b>1,578.97</b>	<b>862.27</b>	<b>185.97</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



### 21 Other financial liabilities

	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
Retention money	5,474.29	5,664.33	41,076.88	42,484.43
Interest accrued on				
Term loans	-	-	694,261.53	517,936.93
Inter corporate deposits (Ind AS adjustments)*	-	-	7,178.26	18.13
Temporary overdrawn balance			477.54	522.83
Capital creditors	-	-	243.93	34.18
Security deposits from customers	123.20	-	67.04	67.04
Expenses payable	-	-	20,593.03	19,412.92
Other payables	-	-	0.51	7.62
	<b>5,597.49</b>	<b>5,664.33</b>	<b>763,898.72</b>	<b>580,484.08</b>

\*As per terms of Framework Facilities Agreement, no interest shall accrue on Inter corporate deposits prior to their maturity or repayment. Accordingly, interest expenses have been charged to Statement of Profit and Loss as per applicable Ind AS.

### 22 Provisions

	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
<b>Provision for employee benefits (refer note 37)</b>				
Provision for compensated absences (unfunded)	203.77	195.72	32.32	24.31
Provision for gratuity (unfunded)	604.25	535.17	64.04	100.31
<b>Provision for others</b>				
Provision for compensation payable (i)	-	-	3,883.98	3,883.98
	<b>808.02</b>	<b>730.89</b>	<b>3,980.34</b>	<b>4,008.60</b>

(i) Provision for compensation due to availability below 80% of contract capacity under power purchase agreement.

#### Movement in provision for others compensation payable

	31 March 2022	31 March 2021
<b>Opening Balances</b>	3,883.98	3,883.98
Accrued during the year	-	-
Adjusted during the year	-	-
<b>Closing Balances</b>	<b>3,883.98</b>	<b>3,883.98</b>

### 23 Other liabilities

	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
Lease equalisation reserve	92,737.77	103,528.72	-	-
Deferred revenue	13.60	-	5,395.47	1,644.12
Statutory dues	-	-	226.47	125.25
Other payables	-	-	84.45	54.79
	<b>92,751.37</b>	<b>103,528.72</b>	<b>5,706.39</b>	<b>1,824.16</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

24 Borrowings (Short-term)	31 March 2022	31 March 2021
<b>Secured</b>		
Current maturities of (refer note 19)		
Term loan from consortium of banks	81,362.05	68,151.64
Term loan from consortium of financial institutions	230,433.34	181,795.16
Facility A - Non-convertible debentures	124,625.00	50,000.00
<b>Unsecured</b>		
Loans from related parties inter corporate deposits*	1,395.76	3,479.65
	<b>437,816.15</b>	<b>303,426.45</b>

\*Inter corporate deposits include ₹ 1,384.46 lakhs taken as interest free and ₹ 11.30 lakhs taken at 13% p.a. rate of interest from related party and are repayable on demand.

25 Trade payables	31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises (refer note 48)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,568.75	2,667.64
	<b>4,568.75</b>	<b>2,667.64</b>

### Trade payable ageing schedule :

Particulars	Year	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to MSME	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Due to Others	2021-22	3,989.50	118.01	28.53	432.71	4,568.75
	2020-21	2,090.26	89.13	153.57	334.68	2,667.64
Disputed dues to MSME	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Disputed dues to others	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
<b>Total</b>		<b>3,989.50</b>	<b>118.01</b>	<b>28.53</b>	<b>432.71</b>	<b>4,568.75</b>
		<b>2,090.26</b>	<b>89.13</b>	<b>153.57</b>	<b>334.68</b>	<b>2,667.64</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

	31 March 2022	31 March 2021
<b>26 Revenue from operations</b>		
<b>Operating revenue</b>		
Revenue from operation of power plant	251,308.59	81,342.85
Income from embedded lease of power plant	74,643.27	74,643.27
	<b>325,951.86</b>	<b>155,986.12</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	31 March 2022	31 March 2021
<b>(A) Revenue from contracts with customers</b>		
Based on nature of goods/services		
Sale of electricity	251,308.59	81,342.85
Sale of services	74,643.27	74,643.27

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	31 March 2022	31 March 2021
<b>Receivables</b>		
Trade receivables (gross)	221,240.77	195,134.16
Unbilled revenue for passage of time	29,655.65	29,544.77
Less : Allowances for doubtful debts	-	-
<b>Net receivables (a)</b>	<b>250,896.42</b>	<b>224,678.93</b>
<b>Contract assets</b>		
Billed during the year	-	730.85
<b>Total contract assets (b)</b>	<b>-</b>	<b>730.85</b>
<b>Contract liabilities</b>		
Recognized as revenue during the year	-	1,644.12
<b>Total contract liabilities (c)</b>	<b>-</b>	<b>1,644.12</b>
<b>Total (a+b-c)</b>	<b>250,896.42</b>	<b>223,765.66</b>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

#### Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	31 March 2022	31 March 2021
<b>Revenue as per contract</b>	251,308.59	81,342.85
Adjustments:		
Cash rebate	-	-
Other adjustments	-	-
<b>Revenue from contract with customers</b>	<b>251,308.59</b>	<b>81,342.85</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### 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.

	31 March 2022	31 March 2021
<b>27 Other income</b>		
<b>Interest on :</b>		
Bank deposits (at amortised cost)	1,275.57	1,366.55
Security deposits	47.89	47.67
Overdue trade receivables	24,890.87	22,781.17
Income tax refund	27.72	905.59
VAT refund	0.10	0.58
Others	25.28	-
	<u>26,267.43</u>	<u>25,101.56</u>
<b>Other income</b>		
Profit on sale/ strike off of subsidiaries (refer note 51)	7,943.71	41,799.35
Liabilities and provisions written back (refer note 51)	494.31	36,399.09
Profit on sale of investment (at FVTPL)	5.31	62.28
Net gain on foreign currency transaction and translation	100.35	-
Miscellaneous income	6,152.98	4,067.23
	<u>14,696.66</u>	<u>82,327.95</u>
	<u>40,964.09</u>	<u>107,429.51</u>
<b>28 Cost of fuel, power and water consumed</b>		
Coal consumed	221,067.23	69,482.57
Electricity consumed	145.29	1,684.27
Water consumed	2,216.38	1,359.20
Other consumables & other expenses	1,669.78	476.82
	<u>225,098.68</u>	<u>73,002.86</u>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

	31 March 2022	31 March 2021
<b>29 Employee benefit expense</b>		
Salaries, wages and bonus	4,707.73	6,443.91
Contribution to provident and other funds	85.04	66.65
Provision for gratuity and compensated absences	164.32	1,363.00
Staff welfare expenses	46.53	26.42
	<u>5,003.62</u>	<u>7,899.98</u>

	31 March 2022	31 March 2021
<b>30 Finance costs</b>		
<b>Interest on</b>		
Term loans	175,828.29	157,509.75
Interest on finance lease obligations	-	202.29
Facility A - Non-convertible debentures	19,876.04	5,931.18
Inter corporate deposits	20,009.82	17,434.54
Short-term loan facility	14,458.73	39,012.60
Car loans	-	5.54
Lease Rental	12.84	38.52
Other financial instruments	2,877.56	2,708.31
Others	1.58	1.71
<b>Other finance costs</b>		
Loan processing fees	118.00	29.08
Bank guarantee charges	979.02	1,131.40
Other finance charges	16.79	64.15
	<u>234,178.67</u>	<u>224,069.07</u>

	31 March 2022	31 March 2021
<b>31 Depreciation and amortisation</b>		
<b>Depreciation on</b>		
Property, plant and equipment	41,039.03	41,124.86
<b>Amortisation on</b>		
Right of use	398.45	418.87
Intangible assets	7.84	8.17
	<u>41,445.32</u>	<u>41,551.90</u>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

32 Other expenses	31 March 2022	31 March 2021
Rent	243.81	372.25
Rates and taxes	521.67	532.32
Legal and professional charges*	2,149.39	1,901.81
Advertisement	2.32	2.23
Communication	31.21	31.99
Printing and stationery	10.74	7.47
Travelling and conveyance	163.39	89.17
Operation and maintenance expenses	7,421.18	4,526.72
Insurance expenses	1,285.66	1,603.05
Running and maintenance - vehicles	30.74	25.76
Repairs and maintenance on		
Office	145.08	87.77
Others	168.09	445.59
Security expenses	790.13	867.43
Bank charges	4.00	3.04
Business promotion	5.67	3.28
Membership and subscription fees	44.41	40.33
Field hostel expenses	152.12	133.21
Net loss on foreign currency transactions and translation (net)	-	359.02
Advances write off	1,125.67	4.88
Miscellaneous expenses	1,265.38	40.07
	<b>15,560.66</b>	<b>11,077.39</b>
	<hr/> <hr/>	<hr/> <hr/>
*Includes remuneration to auditors as follows (excluding applicable taxes):		
As auditors	73.72	68.75
other services	-	4.00
tax audit	-	3.50
	<hr/> <b>73.72</b> <hr/>	<hr/> <b>76.25</b> <hr/>

### 33 Details of contingent liabilities, pending litigations and other matters:

#### A. Contingent Liabilities of pending litigations not provided for in respect of:

##### For RattanIndia Power Limited

- 1 The Water Resource Department ('WRD' or "Respondent") vide their letter dated 29 January 2013 raised a demand of ₹ 23,218 lakh on Company for payment of irrigation restoration charges @ ₹ 1 lakh per hectare as per Government Resolution (GR) dated 6 March 2009 instead of ₹ 0.50 lakh per hectare as provided in circular from Water Resources Department, Government of Maharashtra dated 21 February 2004. The Company had paid ₹ 11,657 lakh (@ ₹ 0.50 lakh per hectare) and filed a Writ Petition with 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 the Nagpur Bench. The Nagpur Bench vide its order dated 5 May 2016 has partly allowed the petition and declared that demand at revised rate i.e. as per GR dated 6 March 2009 from the petitioner is illegal and unsustainable. As per Nagpur Bench order, the rate prescribed in the GR dated 6 March 2009 is applicable prospectively from 1 April 2009 and is not applicable in case of the Company to whom water allocation was finalized on 12 December 2007.

Pursuant to this, Maharashtra State Government filed a Special Leave Petition ("SLP") before the Hon'ble Supreme Court of India. The Hon'ble Court after hearing parties granted time to the Company to file its Counter Affidavit. The counter affidavit has been filed by the Company. The Water Resource department has to file its Rejoinder Affidavit. The next date of hearing is 18 May 2022. The pecuniary risk in the matter cannot be quantified. Company is confident that the matter will be disposed off in its favour.

- 2 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 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:
  - 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 has heard the arguments of both BHEL and the Company and the tribunal has 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 claimant's witness on 6/8/16/22/23/25 August 2022.

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 21 September 2022. The pecuniary risk in the matter cannot be quantified.

The Company filed an appeal against the said 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 21 September 2022. 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.

- 3 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 MIDC. In this respect, Mr. Keshav Puranlal Bunde and others ('Plaintiffs') alleged that the approach road to their land has been obstructed and they are unable to access their land for cultivation. 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

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

- 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 plaintiff has filed an application for appointment of court Commissioner. The matter is now fixed for filing reply on the said application on 17 June 2022. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.
- 4 The Company is using various Microsoft programs/ softwares. During the year ended 31 March 2015, Microsoft Corporation alleged that there is shortfall in the entitled software licenses being used by the Company in its offices and thus the Company has infringed copyright in the Microsoft program/software titles. A suit was filed by Microsoft Corporation before Hon'ble High Court of Delhi on 18 December 2015 against the Company praying for permanent injunction against the Company and further prayed for rendition of accounts of profits and for damages. The pleadings were completed before the Joint Registrar and thereafter the Ld. Registrar had listed the matter before the Court for Framing of Issues. The Issues have been framed in the matter. Compromise/Settlement has taken place between the parties. The matter was disposed off on 02 May 2022 as the settlement deed has been filed before the Hon'ble Court.
  - 5 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 has filed a Civil Suit on 03 December 2015 before Civil Judge Senior Division, Amravati claiming ₹ 116.25 Lakh and court fees of ₹ 1.54 Lakh against the work done. The Company has 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 issues on 28 June 2022. The pecuniary risk involved in the present case cannot be quantified. Based on the legal appraisal of the case, Company is confident that the matter will be disposed off in their favour.
  - 6 During the year ended 2015-16, Tahsildar of Amravati vide it's order dated 24 February 2016 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 MIDC allotted to the Company. The Company has 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. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.
  - 7 Becquerel Industries Private Limited has 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 sublet 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 and the matter is now listed for issuance of summons to Preeti and Brothers. The next date in the matter is 21 June 2022. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.
  - 8 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) has been made a party in the said PIL. The Company has 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. The pecuniary risk involved in the present case cannot be quantified. Company is confident that the matter will be disposed off in their favour.

### For Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (STPL)

- 9 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:

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



1. Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking an interim prayer of release of bank guarantees.
2. Application seeking amendment of the claim petition.
3. 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 has heard the arguments of both BHEL and the Company and the tribunal has 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 and dates have been fixed for examination of witness on 6,8,16,22,23 & 25 August 2022. 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 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 21 September 2022.

- 10 The Company has 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 is 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 Company filed writ petition before the Hon'ble High Court of Madras during the year 2012 against the recovery of the VAT by BHEL. The matter was listed for hearing and the Hon'ble High Court has issued a notice and had ordered for status quo. The notice for the same has been accepted by the state counsel. The Hon'ble High Court had heard the matter and reserved the order. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the company.
- 11 Arbitration proceedings have 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 have been filed by both the Parties. Affidavits of 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. The next date of hearing is 02 August 2022 for recording evidence of claimant witnesses.

## For Poena Power Development Limited (PPDL)

- 12 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 24.05.2022 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. The next date of hearing in the matter is 07 July, 2022.

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.

## B. Contingent Liabilities of Demand pending under the Income Tax Act,1961 and other not provided for :

### I Under the Income Tax Act,1961

#### For RattanIndia Power Limited

- 1 For AY 2018-19, Company is in appeal before CIT(Appeals) against assessment order 143(3) of the Income Tax Act, 1961 for disallowance of ₹ 3,366.00 lakhs . No demand pending.
- 2 For AY 2020-21, Company is in appeal before CIT(Appeals) against intimation 143(1) of the Income Tax Act, 1961 for addition of ₹ 12,300.00 lakhs. No demand is pending.

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of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

- Income Tax Department had filed an appeal before ITAT for AY 2011-12 against an appeal won by the Company before CIT (Appeals) for disallowance of ₹ 209.00 lakhs. The same is pending as on 31 March 2022.
- In respect of the Appeal(s) filed before ITAT for AY 2012-13 to AY 2017-18, the said appeal(s) for disallowance/addition was decided by the ITAT in favour of the Company. However, the said order is subject to further appeal before the High Court. The aggregate addition/disallowance is of ₹ 83,530.00 lakhs.

### For Sinnar Thermal Power Limited(formerly known as RattanIndia Nasik Power Limited)(STPL)

- In respect of the Appeal(s) filed before ITAT for AY 2011-12 to AY 2017-18, the said appeal(s) for disallowance/addition was decided by the ITAT in favour of the Company. However, the said order are subject to further appeal before the High Court.
- For AY 2018-19, Company had filed an appeal before CIT(Appeals) against assessment order under section 143(3) of the IT Act, 1961 for total addition/disallowance of ₹ 903 lakhs, which is currently pending for disposal.

## II Others

### For RattanIndia Power Limited

- The Company has provided commitment bank guarantees of ₹ 24,657.78 lakh (31 March 2021 : ₹ 42,552.78 lakh) which are secured by pledge on its fixed deposits of ₹ 12,504.91 lakh (31 March 2021 : ₹ 10,856.52 lakh) as margin for issuance of bank guarantees. Further, the Company has provided lien on its fixed deposit of ₹ 341.47 lakh (31 March 2021 : ₹ 341.47 lakh) as margin for issuance of a commitment bank guarantee of ₹ 5,903.79 lakh (31 March 2021: ₹ 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.

### For Sinnar Thermal Power Limited(formerly known as RattanIndia Nasik Power Limited) (STPL)

- The Company has provided commitment bank guarantees of ₹ 8,688.49 lakhs (31 March 2021: ₹ 8,688.49 lakhs), which are secured by pledge on its fixed deposits of ₹ 564.30 Lakhs (31 March 2021: ₹ 562.77 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 ₹ 341.47 lakhs (31 March 2021: ₹ 341.47 lakhs) as margin for issuance of commitment bank guarantee of ₹ 5,590.68 lakhs (31 March 2021: ₹ 5,590.68 lakhs)

## C. Other pending litigations

### For RattanIndia Power Limited

- 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 30 October 2015.

As at the balance sheet date, the Company has accounted such claim 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 has 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 is 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 has 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. Company has filed Impleadment Application in Case No 240/2021 vide 153/MP/2021 and order has been reserved on 26 April 2022.

- 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 has concluded that these charges are recoverable from MSEDCL under "Change in Law" clause of PPA and during the year, the Company has recorded revenue of ₹ 4,410.17 Lakh (31 March 2021: NIL). 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. 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. Appeal is admitted by the Hon'ble APTEL. Pleadings are completed in the said appeal. The next date of hearing in the matter is 12 May 2022.
- 3 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 to 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 document 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 is to file the Affidavit of Evidence. An early hearing application has been moved by the Company. The next date of hearing in the matter is 13 September 2022. The pecuniary risk involved in the present case cannot be quantified.

- 4 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 277.8 MW (in non VVO mode), which corresponds to ex-bus capacity upto 252 MW. This was further corroborated by the CPRI report. In view of above, 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 had 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 has 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. The next date of hearing in the said matter is 27 May 2022.
- 5 Due to low dispatch of power schedule by MSEDCL, SECL has imposed penalty on account of non-procurement of minimum quantity of fuel by Company under the FSA. The Company has 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 lakh 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 has reserved its order. The Ld. MERC disposed off the matter vide order

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- 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. The matter is listed for arguments, the next date of hearing is to be intimated.
- 6 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.
  - 7 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
  - 8 An application under Section 9 of Insolvency and Bankruptcy Code has been 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 matter has been reserved for orders on 21 March 2022, Order is still awaited.
  - 9 Arbitration Proceedings have 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. The next date of hearing is to be intimated.
  - 10 Arbitration Proceedings have 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). The next date of hearing is to be intimated by the Arbitral Tribunal.
  - 11 An application has 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 yet to be intimated.
  - 12 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 held on 06 February 2020, wherein schedule of the arbitration was decided. The next date of hearing is yet to be intimated by the Arbitrator.
  - 13 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 12 July 2022.
  - 14 During the year, the Company filed writ petition before Hon'ble Delhi High Court ('Delhi HC') and 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

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utilized this for any coal supply to the plant. Subsequent to the balance sheet date, on 5 April 2022, the Company received letters from WCL informing cancellation of LOA and invocation of bank guarantee amounting to ₹ 3,444.00 lakhs. The Company filed an application of stay before Delhi HC and in response thereto, the Delhi HC vide order dated 7 April 2022 directed WCL 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.

- 15 Company has 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 MCM of Water and the refund of proportionate amount of Irrigation Restoration Charges and Water Commitment Charges. Company's amendment application bringing subsequent events on record and refund of partial water commitment charges paid for 2020-21 supplementary agreement has been allowed. The matter is now fixed for arguments and reply if any to be filed to the amendment application. The next date of hearing is 23 June 2022.
- 16 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 has 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.
- 17 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 26 October 2022.
- 18 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 17 May 2022.
- 19 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 has also confirmed above demand along with penalty vide its order dated 10 December 2020. Aggrieved by the above order, the Company has filed a writ petition before the Hon'ble Bombay High Court on 15 March 2021 and same is pending for admission as on 31 March 2022.

The Company is involved in various legal proceedings and other regulatory matters relating to conduct of its business. In respect of the other 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.

### For Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (STPL)

- 20 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

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

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, MREC 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 has 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.

- 21 The Company has developed railway line for transportation of coal to its Nashik Power Plant. For the development of railway line, Maharashtra Industrial Development Corporation ('MIDC') has acquired land for the Company in various villages of Nashik District. During the year 2012-13, Mr. Ratan Ranja Matale 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 in Hon'ble Supreme Court on 22 February 2016. The matter is currently listed for final disposal. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the company.
- 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. Award has been reserved on 15 December 2021. The pecuniary risk in the matter is ₹ 28,564 Lakhs.
- 23 A petition under section 9 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal has been filed by M/s Shapoorji Pallonji & Co. Pvt. Ltd. (being the operational creditor) to initiate a corporate insolvency resolution process against the Company (being Corporate Debtor) in view of the pending payments. Written submissions have been filed by both the parties. The matter is listed for arguments. The next date in the matter is 23 May 2022.
- 24 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 on 25 February 2022. The matter is yet to be listed.
- 25 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. Statement of claim and statement of defence has been filed by the parties. The next date of hearing is to be intimated by the Arbitral Tribunal. The pecuniary risk in the matter is yet to be quantified.
- 26 Company has filed Writ Petition before Hon'ble High Court challenging the order passed by IGR, Pune thereby directed

the company 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 has filed reply to the case. The matter will come up for hearing. The next date in the matter will be intimated.

- 27 A petition hearing no. 43/2017 has been filed 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 allegedly due from the Company. The matter has been reserved for orders.
  - 28 Patkar Electro Infra Private Limited filed petition no. 328/ 2019 before Micro & Small Enterprises Facilitation Council, Nasik for payment of alleged outstanding claim of ₹ 35 lakhs from the Company. Matter at the stage of conciliation. The next date of hearing in the matter is to be intimated.
  - 29 An application under section 19 of the Recovery of Debts and Bankruptcy Act, 1993 had been filed by Canara Bank against the Company & Ors. 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 2 July 2022 for filing of Rejoinder by Canara Bank.
  - 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 has filed its Statement of Claim and thereafter, Amended Statement of Claim. STPL has 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 STPL. 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. Company had filed its Statement of Defence. The next date of hearing in the matter is 23 May 2022. The pecuniary risk in the matter is yet to be quantified.
  - 31 A suit for permanent injunction has been filed by the Company against Mahanadi Coalfields Limited & Others praying before the Hon'ble Court 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 Sinnar Thermal Power Limited 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 10 August 2022.
  - 32 A suit for declaration and perpetual injunction has been filed by the Company against Western Coalfields Limited & Others praying before the Hon'ble Court 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 Sinnar Thermal Power Limited 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 filing of Written Statement on behalf of Western Coalfields Limited & Others. The next date of hearing in the matter is 16 June 2022. The management is confident that no liability will devolve on Company.
- D.** During the financial year 2010-11 and later, the Company had awarded EPC contracts to Elena Power & Infrastructure Ltd ('EPIL'), an erstwhile wholly owned subsidiary of the Company, which mainly includes supply of equipment, material, execution of services including erection, installation, testing and commissioning and carrying out civil and other related work with respect to its 1350 MW Thermal power plant at Amravati, Maharashtra. As there were various deficiencies and delays in completion of awarded work by EPIL, the Company has been contemplating and engaging to initiate claim(s) for liquidated damages from EPIL based on clauses in agreement. EPC Contractor either can directly compensate the Company or has to claim such damages from its subcontractors who had performed job and caused delay and defaults in timelines as well as performance based on agreements. Pending claim filing, the Company has not recorded any income. During the year, subsequent to the sale of stake, on receipt no dues from EPIL, the Company write back intercorporate deposits payable of ₹ 26,009.77 lakhs and retention payable of ₹ 4,119.23 lakhs.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

- 34 Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the Project not provided for: ₹ 17,743.75 lakhs (31 March 2021: ₹ 4,779.64 lakhs) – advances made there against ₹ 425.98 lakhs (31 March 2021: ₹ 243.10 lakhs)
- 35 The Holding Company is covered under Section 135 of the Companies Act, 2013 and accordingly constituted a Corporate Social Responsibility Committee of the Board. However, as the Holding Company did not have average net profits based on the immediately preceding three financial years, the Holding Company is not required to spend amounts towards Corporate Social Responsibility in terms of the Companies Act, 2013.

### 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 IPSL, 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 favorable 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 10 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 10 years commencing one year after the date of grant.

##### RPL ESOS 2011

During the Financial Year ended 31 March 2012, the Holding Company has 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 10 years commencing one year after the date of grant.

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of RattanIndia Power Limited for the year ended 31 March 2022  
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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.

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	Option Life	1 through 10 years	1 through 10 years	1 through 10 years
5	Expected Dividend Yield	8%	6.50%	16.67 % from 2014 onwards
6	Risk Free rate of Interest	8%	6.50%	8.12% to 8.72%

## Summary of options granted in respect of the RPL ESOP-2008 are as under:

Particulars	31 March 2022		31 March 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	10	300,600	10	300,600
Options surrendered/ lapsed during the year	10	298,200	10	-
Closing balance	10	2,400	10	300,600
Vested and exercisable options		2,400		300,600

## Summary of options granted in respect of the RPL ESOS 2009 are as under:

Particulars	31 March 2022		31 March 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	14	75,200	14	244,000
Options surrendered/ lapsed during the year	14	54,800	14	168,800
Closing balance	14	20,400	14	75,200
Vested and exercisable options		20,400		75,200

## Summary of options granted in respect of the RPL ESOS 2011 are as under:

Particulars	31 March 2022		31 March 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	12	87,000	12	175,000
Options surrendered/ lapsed during the year	12	27,000	12	88,000
Closing balance	12	60,000	12	87,000
Vested and exercisable options		60,000		75,000

## Notes to the Consolidated Financial Statements (Contd.)

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### 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 ₹ 57.65 lakhs (31 March 2021: ₹ 45.74 lakhs) towards employer's contribution towards Provident Fund.

#### Defined benefits:

Provision for unfunded Gratuity payable and Superannuation benefits payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2022. 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 other comprehensive income/ Capital work-in-progress, as applicable and as identified by the Management of the Company.

#### 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 2022. 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, Compensated Absences and Superannuation and the amounts recognised in the financial statements for the year ended 31 March 2022:

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)		Superannuation (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Liability recognised in the balance sheet:</b>						
Present value of obligation as at the beginning of the year	635.48	841.76	220.03	747.52	-	19,902.50
Current service cost	79.29	67.12	35.64	39.38	-	560.53
Interest cost	46.42	47.93	16.17	32.25	-	676.68
Benefits paid	(144.62)	(139.73)	(22.32)	(28.07)	-	-
Actuarial (gains) / losses	51.72	(158.32)	(13.43)	(213.87)	-	(400.56)
Adjustment on sale of subsidiary	-	(23.28)	-	(357.18)	-	(20,739.15)
<b>Present value of obligation at the end of the year (as per Actuarial valuation)</b>	<b>668.29</b>	<b>635.48</b>	<b>236.09</b>	<b>220.03</b>	-	-
<b>Expenses during the year</b>						
Current service cost	79.29	67.12	35.64	39.38	-	560.53
Interest cost	46.42	47.93	16.17	32.25	-	676.68
Actuarial (gains) / losses	-	-	(13.43)	(213.87)	-	-
<b>Component of defined benefit cost charged to statement of profit and loss</b>	<b>125.71</b>	<b>115.05</b>	<b>38.38</b>	<b>(142.24)</b>	-	<b>1,237.21</b>
Remeasurement of post-employment benefit obligations:						
Actuarial (gains) / losses	51.72	(158.32)	-	-	-	(400.56)
<b>Component of defined benefit cost recognised in other comprehensive income</b>	<b>51.72</b>	<b>(158.32)</b>	-	-	-	<b>(400.56)</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
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## Actuarial (gains)/losses on obligation

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)		Superannuation (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Actuarial (gain)/loss on arising from change in demographic assumptions	-	0.02	-	0.01	-	-
Actuarial (gain)/loss on arising from change in financial assumptions	39.52	(2.54)	14.91	1.03	-	-
Actuarial (gain)/loss on arising from change in experience adjustments	12.20	(155.80)	(28.34)	(214.90)	-	-

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 2022	31 March 2021
Discount rate	7.18%	6.79%
Expected rate of salary increase	6.00%	5.00%

### (b) Demographic assumptions

Particulars	31 March 2022	31 March 2021
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	3	3
- From 31 to 44 years	2	2
- Above 44 years	1	1

### (c) Sensitivity analysis of defined benefit obligation

Particulars	31 March 2022	31 March 2021
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 0.50% (31 March 2021: 0.50%)	(50.96)	(1,410.92)
ii) Impact due to decrease of 0.50% (31 March 2021: 0.50%)	49.68	1,395.88
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 0.50% (31 March 2021: 0.50%)	50.07	65.11
ii) Impact due to decrease of 0.50% (31 March 2021: 0.50%)	(111.57)	(65.80)

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 2022	31 March 2021
Less than 1 year	96.36	124.62
Year 1 to 5	142.45	96.87
More than 5 years	665.58	634.02

## Notes to the Consolidated Financial Statements (Contd.)

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### 38 Earnings per equity share (EPS)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Loss for the year attributable to owners of the company	(198,144.00)	(94,160.86)
Opening number of shares	5,370,105,860	4,939,781,691
Weighted average number of shares used in computing basic earnings per equity share	5,370,105,860	4,997,551,237
Closing number of shares	5,370,105,860	5,370,105,860
Add: Effect of number of equity shares on OCCRPS of the Company*	-	372,554,623
Weighted average number of shares used in computing diluted earnings per equity share (number of shares)	5,370,105,860	5,370,105,860
Face value per equity share – (₹)	10.00	10.00
Basic Earnings per equity share – (₹)	(3.69)	(1.88)
Diluted Earnings per equity share – (₹)	(3.69)	(1.88)

\* OCRPS being non- dilutive in accordance with IND AS 33 as such OCRPS are convertible at market price and hence, 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 Group are as follows:

Minimum lease rentals receivables	31 March 2022	31 March 2021
Within one year	69,247.80	69,247.80
One to five years	276,734.16	276,734.16
Above five years	757,376.93	830,755.50

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	942 months-1058 months	995 months	-	-	-	-
Office premises	1	34 months	34 months	-	-	-	1

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 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>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



c) Lease liabilities are presented in the statement of financial position as follows:

Particulars	31 March 2022	31 March 2021
Current	862.27	185.97
Non-current	3,037.64	1,578.97
<b>Total</b>	<b>3,899.91</b>	<b>1,764.94</b>

d) 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
Finance charges	419.47	1,007.64	14,556.67	15,983.78
<b>Net present values</b>	<b>676.33</b>	<b>1,458.74</b>	<b>1,764.84</b>	<b>3,899.91</b>

e) The Group had total cash outflows for leases of ₹ 403.85 lakhs in 31 March 2022 (₹ 224.60 lakhs in 31 March 2021).

The following are the amounts recognised in profit or loss:

Particulars	31 March 2022	31 March 2021
Depreciation expense of right-of-use assets	398.45	418.87
Interest expense on lease liabilities	283.47	240.81
Expense relating to short-term leases (included in other expenses)	243.82	371.15
<b>Total</b>	<b>925.74</b>	<b>1,030.83</b>

At 31 March 2022, 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.

#### 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 Tupelo Builders Private Limited Nettle Constructions Private Limited Priapus Infrastructure Limited Priapus Developers Private Limited IIC Limited (upto 27 September 2020) Thaumas Infrastructure Limited (upto 27 September 2020)

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

<b>III. Key Management Personnel</b>	
<b>Name</b>	<b>Designation</b>
Rajiv Rattan	Chairman and Director of the Company
Vibhav Agarwal	Managing Director of the Company (w.e.f. 09 November 2020)
Asim Kumar De	Whole Time Director of the Company (w.e.f. 03 November 2021)
Himanshu Mathur	Whole Time Director of the Company (upto 03 November 2021)
Jeevagan Narayana Swami Nadar	Independent Director
Sharad Behal	Independent Director
Yashish Dahiya	Independent Director (upto 16 March 2022)
Neha Poonia	Independent Women Director
Namita	Director
Ankur Mitra	CFO of the Company (w.e.f. 29 January 2021)
Chandan Mishra	CFO of the Company (w.e.f. 28 December 2020 upto 28 January 2021)
Aman Kumar Singh	CEO of the Company (w.e.f. 20 May 2019 upto 09 November 2020)
Sameer Hasmukhlal Darji	CFO of the Company (w.e.f. 15 April 2019 upto 30 June 2020)
<b>IV. Interest in Trust</b>	IPL-PPSL Scheme Trust

\* During the previous year, pursuant to conversion of CCDs, the shareholding of RRIPL increased to 22.13% and hence RRIPL became significant shareholder of the Company.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(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 2022	736.46	32.08	-	768.54
	31 March 2021	720.00	62.47	-	782.47
Loan/ Inter corporate deposit repaid	31 March 2022	-	-	-	-
	31 March 2021	72.00	586.00	-	658.00
Conversion of CCDs into Equity shares	31 March 2022	-	-	-	-
	31 March 2021	43,032.42	-	-	43,032.42
<b>Income</b>					
Cost sharing recovery	31 March 2022	-	82.63	-	82.63
	31 March 2021	-	-	-	-
<b>Expenses</b>					
Services cost	31 March 2022	-	30.00	-	30.00
	31 March 2021	-	-	-	-
Cost sharing payable	31 March 2022	-	213.68	-	213.68
	31 March 2021	-	326.15	-	326.15
Interest Expenses (Notional)	31 March 2022	20,008.35	-	-	20,008.35
	31 March 2021	17,433.81	-	-	17,433.81
Short-term employee benefits	31 March 2022	-	-	383.77	383.77
	31 March 2021	-	-	361.16	361.16
Post employment benefits	31 March 2022	-	-	28.30	28.30
	31 March 2021	-	-	8.04	8.04
Fees and remuneration	31 March 2022	-	-	42.48	42.48
	31 March 2021	-	-	-	-
<b>Others</b>					
Security Deposit Received	31 March 2022	-	143.20	-	143.20
	31 March 2021	-	-	-	-
Sale of investment	31 March 2022	-	Refer note 10 & 51	-	-
	31 March 2021	-	-	-	-
Pledge of shares	31 March 2022	Refer note 19	-	-	-
	31 March 2021	-	-	-	-

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(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	Key Management Personnel	Total
Loan / Inter corporate deposit taken	31 March 2022 31 March 2021	149,701.23 136,118.00	5,998.73 5,966.65	- -	155,699.96 142,084.65
Trade/ other payables	31 March 2022 31 March 2021	- -	(551.43) (326.15)	- -	(551.43) (326.15)
Cost sharing recovery	31 March 2022 31 March 2021	- -	28.66 -	- -	28.66 -
Short term advance	31 March 2022 31 March 2021	- -	0.21 740.21	- -	0.21 740.21
Retention money payable/ Payables on purchase of property, plant and equipments	31 March 2022 31 March 2021	- -	667.12 667.12	- -	667.12 667.12
Security Deposit Payable	31 March 2022 31 March 2021	- -	(143.20) -	- -	(143.20) -
Pledge of shares	31 March 2022 31 March 2021	Refer note 19			- -

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(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	Short term advances	Retention money payable/ payables on purchase of fixed assets	Security deposit payable	Employee benefit liability	Remuneration payable
<b>Company having Substantial Interest</b>									
RR Infralands Private Limited	31 March 2022	149,701.23	-	-	-	-	-	-	-
	31 March 2021	136,118.00	-	-	-	-	-	-	-
<b>Enterprise over which Key Management Personnel have significant influence</b>									
RattanIndia Enterprises Limited	31 March 2022	-	(11.60)	28.66	-	-	(143.20)	-	-
	31 March 2021	-	-	-	-	-	-	-	-
IIC Limited	31 March 2022	-	-	-	0.21	-	-	-	-
	31 March 2021	-	-	-	740.21	-	-	-	-
Nettle Constructions Private Limited	31 March 2022	2,863.73	-	-	-	-	-	-	-
	31 March 2021	2,831.65	-	-	-	-	-	-	-
Thaumas Infrastructure Limited	31 March 2022	-	-	-	-	667.12	-	-	-
	31 March 2021	-	-	-	-	667.12	-	-	-
Asopus Infrastructure Limited	31 March 2022	3,135.00	-	-	-	-	-	-	-
	31 March 2021	3,135.00	-	-	-	-	-	-	-
RattanIndia Finance Private Limited	31 March 2022	-	(539.83)	-	-	-	-	-	-
	31 March 2021	-	(326.15)	-	-	-	-	-	-

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

## VIII. Statement of material transactions

Name of related party	Year ended	Loan/ Inter Corporate Deposit taken#	Loan/ Inter Corporate Deposit repaid#	Services cost	Cost sharing payable	Conversion of CCDs into equity shares	Interest expenses (Notional)	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 2022	736.46	-	-	-	-	20,008.35	-	-	-	-	-	-
	31 March 2021	720.00	72.00	-	-	43,032.42	17,433.81	-	-	-	-	-	-
<b>Enterprises over which Key Management Personnel have significant influence</b>													
RattanIndia Enterprises Limited	31 March 2022	-	-	30.00	-	-	-	143.20	82.63	-	-	-	-
	31 March 2021	-	-	-	-	-	-	-	-	-	-	-	-
Nettle Constructions Private Limited	31 March 2022	32.08	-	-	-	-	-	-	-	Refer note 10 & 51	-	-	-
	31 March 2021	60.47	-	-	-	-	-	-	-	-	-	-	-
Priapus Developers Private Limited	31 March 2022	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2021	-	19.50	-	-	-	-	-	-	-	-	-	-
RattanIndia Finance Private Limited	31 March 2022	-	-	-	213.68	-	-	-	-	-	-	-	-
	31 March 2021	-	-	-	326.15	-	-	-	-	-	-	-	-
Tupelo Builders Private Limited	31 March 2022	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2021	2.00	566.50	-	-	-	-	-	-	-	-	-	-
<b>Key Management Personnel</b>													
Himanshu Mathur	31 March 2022	-	-	-	-	-	-	-	-	-	54.09	18.26	-
	31 March 2021	-	-	-	-	-	-	-	-	-	88.66	(10.83)	-
Asim Kumar De	31 March 2022	-	-	-	-	-	-	-	-	-	73.08	2.85	-
	31 March 2021	-	-	-	-	-	-	-	-	-	-	-	-
Vibhav Agarwal	31 March 2022	-	-	-	-	-	-	-	-	-	144.98	3.20	-
	31 March 2021	-	-	-	-	-	-	-	-	-	57.19	1.79	-
Ankur Mitra	31 March 2022	-	-	-	-	-	-	-	-	-	88.75	1.78	-
	31 March 2021	-	-	-	-	-	-	-	-	-	15.51	0.39	-
Lalit Narayan Mathpati	31 March 2022	-	-	-	-	-	-	-	-	-	22.86	2.22	-
	31 March 2021	-	-	-	-	-	-	-	-	-	18.59	(0.48)	-
Jeevagan Narayana Swami Nadar	31 March 2022	-	-	-	-	-	-	-	-	-	-	-	14.16
	31 March 2021	-	-	-	-	-	-	-	-	-	-	-	-
Sharad Behal	31 March 2022	-	-	-	-	-	-	-	-	-	-	-	14.16
	31 March 2021	-	-	-	-	-	-	-	-	-	-	-	-
Yashish Dahiya	31 March 2022	-	-	-	-	-	-	-	-	-	-	-	14.16
	31 March 2021	-	-	-	-	-	-	-	-	-	-	-	-
Chandan Mishra	31 March 2022	-	-	-	-	-	-	-	-	-	33.17	0.58	-
	31 March 2021	-	-	-	-	-	-	-	-	-	-	-	-
Anam Kumar Singh	31 March 2022	-	-	-	-	-	-	-	-	-	121.67	(6.14)	-
	31 March 2021	-	-	-	-	-	-	-	-	-	-	-	-
Sameer Has Mukhlal Darji	31 March 2022	-	-	-	-	-	-	-	-	-	26.37	22.73	-
	31 March 2021	-	-	-	-	-	-	-	-	-	-	-	-

(i) Interest expenses accrued for the current year for ₹ 177.14 lakhs payable to Asopus Infrastructure Limited (AIL) is waived off by the AIL.

(ii) There are no non cash transactions entered with promoters or directors.

(iii) The Holding Company has claimed certain expenses from one of its related party (RattanIndia Finance Private Limited) which is yet to be acknowledged and accordingly have not been recorded as recoverable in these consolidated financial statements.

(iv) 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 2022  
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## 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 2022	31 March 2021
<b>Financial assets</b>			
<b>Investments at FVTPL</b>			
Investments in mutual funds	Level 1	378.81	33.92
<b>Total financial assets</b>		<b>378.81</b>	<b>33.92</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 2022			31 March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments in:						
Mutual funds	378.81	-	-	33.92	-	-
Trade receivables	-	-	221,240.77	-	-	195,134.16
Cash and cash equivalents	-	-	15,022.20	-	-	11,375.96
Other bank balances	-	-	13,788.91	-	-	19,802.10
Other financial asset	-	-	31,894.93	-	-	31,513.86
<b>Total</b>	<b>378.81</b>	<b>-</b>	<b>281,946.81</b>	<b>33.92</b>	<b>-</b>	<b>257,826.08</b>
<b>Financial liabilities</b>						
Borrowings	-	-	1,150,806.95	-	-	1,223,769.62
Trade payable	-	-	4,568.75	-	-	2,667.64
Other financial liabilities	-	-	769,496.21	-	-	586,148.41
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,924,871.91</b>	<b>-</b>	<b>-</b>	<b>1,812,585.67</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(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 2022 and 31 March 2021, as summarised below:

Particulars	31 March 2022	31 March 2021
Loans (i)	-	-
Trade receivables (ii)	221,240.77	195,134.16
Cash and cash equivalents (iii)	15,007.00	11,364.03
Other bank balances (iii)	13,788.91	19,802.10
Other financial assets (i)	31,894.93	31,513.86

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 a 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 recovery 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. Any provisions against such receivables are for liquidated damages and not related to credit worthiness of the counterparty. The Group considers that trade receivables are not credit impaired as these are receivable from Government undertaking.
- (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 2022  
(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 2022	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	1,194,002.28	892,501.89	242,183.48	2,328,687.65
Trade payable	4,568.75	-	-	4,568.75
Other financial liabilities	62,458.93	5,597.49	-	68,056.42
<b>Total</b>	<b>1,261,029.96</b>	<b>898,099.38</b>	<b>242,183.48</b>	<b>2,401,312.82</b>

31 March 2021	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	906,673.76	1,030,299.67	332,268.62	2,269,242.05
Trade payable	2,667.64	-	-	2,667.64
Other financial liabilities	62,529.02	5,664.33	-	68,193.35
<b>Total</b>	<b>971,870.42</b>	<b>1,035,964.00</b>	<b>332,268.62</b>	<b>2,340,103.04</b>

\* Borrowings excludes finance lease obligations, refer note 39 for disclosure of maturity profile of finance lease obligations.

## C) Market risk

### a) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. 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 periods is Nil.

### 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.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	31 March 2022	31 March 2021
<b>Variable rate:</b>		
Borrowing	711,848.78	726,165.79
Loan assets	-	-
<b>Total variable rate exposure</b>	<b>711,848.78</b>	<b>726,165.79</b>
<b>Fixed rate:</b>		
Borrowing	438,958.17	497,603.83
Loans and deposits	13,788.91	19,802.10
<b>Total fixed rate exposure</b>	<b>425,169.26</b>	<b>477,801.73</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 2022	31 March 2021
<b>Interest sensitivity</b>		
Interest rates – increase by 100 basis points (31 March 2021: 100 basis points)	(7,118.49)	(7,261.66)
Interest rates – decrease by 100 basis points (31 March 2021: 100 basis points)	7,118.49	7,261.66

### c) Price risk

#### Exposure

The Group is exposed to price risk in respect of its investment in mutual funds (refer note 12). The mutual funds are unquoted investments.

#### 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 2022	31 March 2021
<b>Price sensitivity</b>		
Price increase by 1000 basis points (31 March 2021: 1000 basis points)	37.88	3.39
Price decrease by 1000 basis points (31 March 2021: 1000 basis points)	(37.88)	(3.39)

## 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.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
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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 2022	31 March 2021
Long-term borrowings including finance lease obligations	716,028.44	921,922.14
Short-term borrowings including finance lease obligations	438,678.42	303,612.42
Interest accrued on borrowings	701,439.79	517,955.06
<b>Total borrowings</b>	<b>1,856,146.65</b>	<b>1,743,489.62</b>
Less:		
Cash and cash equivalents	15,022.20	11,375.96
Other bank balances	13,788.91	19,802.10
Investment of excess fund in mutual funds	378.81	33.92
<b>Net debts</b>	<b>1,826,956.73</b>	<b>1,712,277.64</b>
<b>Total equity</b>	<b>(266,179.94)</b>	<b>(62,510.67)</b>
<b>Net debt to equity ratio</b>	<b>(686.36%)</b>	<b>(2739.18%)</b>

- (i) Net debts includes long term borrowing, their current maturities and net of cash and cash equivalents.  
(ii) Equity includes capital and all reserves of the Group that are managed as capital.

#### 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 2022	As at 31 March 2021
<b>Current</b>		
Inventories and trade receivables (to the extent pledged)	234,904.80	222,874.25
<b>Non Current</b>		
Property, plant and equipment (to the extent pledged)	1,292,699.16	1,355,249.50
Right of use	24,046.57	22,908.22
Capital work-in-progress	114,220.32	157,430.91
Other intangible assets	24.14	5.28
Shares of subsidiaries (net of impairment provision)	121,186.77	122,630.79

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### 45 Effective tax reconciliation

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(Loss)/profit before tax	(198,144.00)	(94,185.57)
Domestic tax rate	25.17%	25.17%
<b>Expected tax expense [A]</b>	<b>(49,868.88)</b>	<b>(23,704.62)</b>
Adjustment for non-deductible expenses	62,965.01	1,640.93
Adjustment for exempt income	-	(0.44)
Tax not recognised on unabsorbed depreciation and carry forward losses	(13,096.13)	38,479.47
Adjustment for debt waiver	-	(44,276.58)
<b>Total adjustments [B]</b>	<b>49,868.88</b>	<b>(4,156.62)</b>
<b>Actual tax expense [C=A+B]</b>	<b>-</b>	<b>(27,861.24)</b>
<b>Tax expense comprises:</b>		
Current tax	-	-
Deferred tax	-	-
<b>Tax expense recognized in Statement of profit and loss [D]</b>	<b>-</b>	<b>-</b>

### 46 Interests in other entities

The Group's subsidiaries at 31 March 2022 and 31 March 2021 are set out below. Unless otherwise stated, they 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 2022	31 March 2021	31 March 2022	31 March 2021	
Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited)	India	100%	100%	-	-	Thermal Power Generation
Diana Energy Limited**	India	-	74%	-	26%	Currently no principal activities
Devona Power Limited**	India	-	74%	-	26%	Currently no principal activities
Poena Power Development Limited	India	100%	100%	-	-	Power Generation
Sinnar Power Transmission Company Limited*	India	54.44%	100%	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

\* These companies are step down subsidiaries of the Company.

\*\* The respective companies have filed for strike off with MCA during the year and the same is under process.

**Notes to the Consolidated Financial Statements (Contd.)**  
of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



**47 Additional information required by Schedule III to the Companies Act, 2013**

Name of entity	31 March 2022					31 March 2021				
	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	Profit or (loss)	As % of Consolidated comprehensive income	Total Comprehensive income	As % of consolidated net assets	Amounts	Profit or (loss)	As % of Consolidated comprehensive income	Total Comprehensive income
<b>Holding Company</b>										
RattanIndia Power Limited	-198.23%	527,661.04	34,813.57	-17.53%	34,754.17	-783.68%	492,906.88	9,670.34	-10.27%	9,667.08
<b>Subsidiaries</b>										
Devona Power Limited	0.00%	-	(0.08)	0.00%	(0.08)	2.25%	(1,414.88)	(78.61)	0.08%	(78.61)
Diana Energy Limited	0.00%	-	(4.09)	0.00%	(4.09)	0.00%	(0.11)	(19.78)	0.02%	(19.78)
Hecate Power Transmission Limited	0.00%	-	-	0.00%	-	0.00%	-	1.11	0.00%	1.11
Bracond Limited	5.12%	(13,623.27)	(2.12)	0.00%	(2.12)	21.00%	(13,207.42)	(2.11)	0.00%	(2.11)
Genoformus Limited*	0.01%	(30.17)	(2.23)	0.00%	(2.23)	0.04%	(27.05)	(2.22)	0.00%	(2.22)
Renemark Limited*	0.01%	(29.66)	(2.23)	0.00%	(2.23)	0.04%	(26.56)	(2.22)	0.00%	(2.22)
Poena Power Development Limited	0.37%	(983.08)	(954.30)	0.48%	(954.30)	0.05%	(28.78)	(2.07)	0.00%	(2.07)
Sinnar Power Transmission Company Limited	1.08%	(2,885.10)	(3,755.19)	1.89%	(3,755.19)	-1.38%	870.09	(2,753.87)	2.92%	(2,753.87)
Elena Power And Infrastructure Limited	0.00%	-	-	0.00%	-	0.00%	-	2,691.48	-3.30%	3,093.06
Sinnar Thermal Power Limited/formerly known as RattanIndia Naaik Power Limited)	246.80%	(656,934.26)	(241,926.37)	122.06%	(241,918.69)	659.84%	(415,015.57)	(176,315.75)	188.17%	(176,173.63)
Total eliminations/ consolidation adjustment	44.84%	(119,355.44)	13,689.04	-6.90%	13,685.11	201.84%	(126,952.93)	72,627.42	-77.58%	72,630.43
<b>Total</b>	<b>100.00%</b>	<b>(266,179.94)</b>	<b>(198,144.00)</b>	<b>100.00%</b>	<b>(198,199.65)</b>	<b>100.00%</b>	<b>(62,896.33)</b>	<b>(94,186.28)</b>	<b>100.00%</b>	<b>(93,624.39)</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### 48 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31 March 2022	As at 31 March 2021
(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 Company. This has been relied upon by the Auditors.

### 49 Reconciliation of liabilities arising from financing activities

Particulars	Long-term borrowings	Short-term borrowings	Total
As at 1 April 2020	1,219,722.34	29,437.56	1,249,159.90
<b>Cash flows:</b>			
Repayment of borrowings	(48,047.39)	(25,110.00)	(73,157.39)
Receipt of borrowings	-	862.47	862.47
<b>Non-cash:</b>			
Conversion to equity shares	(43,032.42)	-	(43,032.42)
EIR adjustment	89,538.30	1,529.62	91,067.92
Waiver of debt	(2,025.00)	-	(2,025.00)
Reclassification among nature of borrowings	3,135.00	(3,135.00)	-
Restructuring of interest amount in borrowing	999.14	-	999.14
Reclassification among nature of borrowings	-	(105.00)	(105.00)
<b>As at 31 March 2021</b>	<b>1,220,289.97</b>	<b>3,479.65</b>	<b>1,223,769.62</b>
<b>Cash flows:</b>			
Repayment of borrowings	(73,471.00)	-	(73,471.00)
Receipt of borrowings	-	779.84	779.84
<b>Non-cash:</b>			
EIR adjustment	18,594.11	-	18,594.11
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>1,150,806.95</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



- 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 2022 and 31 March 2021.
- 51** Pursuant to share purchase agreement between Nettle Constructions Private Limited ('Buyer') and STPL, STPL during the year transferred 45.56% stake in its wholly-owned subsidiary, Sinnar Power Transmission Company Limited ("SPTCL"), and as per the terms agreed, subsequent to the year- end, has transferred additional 21.78% stake to the Buyer. Accordingly, assets and liabilities pertaining to SPTCL have been presented at net realisable value of ₹ 1/- in the consolidated financial statement. Further, the Company has recorded gain of ₹ 7,943.71 lakhs including ₹ 5,083.96 lakhs transfer from retained earnings.
- During the previous year, the Holding Company had transferred entire shareholding of EPIL and accordingly recorded gain of ₹ 41,799.35 lakhs including ₹ 20,048.13 lakhs transfer from retained earnings. Subsequent to the sale of stake, on receipt of no dues from EPIL, the Holding Company had written back intercorporate deposits payable of ₹ 26,009.77 lakhs and retention payable of ₹ 4,119.23 lakhs.
- 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 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.
- 54** Sinnar Thermal Power Limited (STPL), one of the subsidiary company of RPL, has incurred ₹ 43,773.00 lakhs for development of 1350 MW power plant (Phase II). The construction activities of Phase II are currently suspended. STPL has recognized impairment loss amounting to ₹ 43,773.00 lakhs against Capital work-in-progress ("CWIP") being amount incurred for development of Phase II. This has been recorded as exceptional item in Consolidated Statement of Profit & Loss.

### 55 Financial Ratios

Following are analytical ratios for the year ended 31 March 2022 and 31 March 2021

Particulars	Numerator/ Denominator	31 March 2022	31 March 2021	Variance	Reason for variance
Current ratio	Current assets/ Current liabilities	0.25	0.33	-23.30%	
Debt - equity ratio	Total debt*/ Shareholder's equity	(4.32)	(19.58)	-77.92%	Due to repayment of debt and derecognition of subsidiary
Debt service coverage ratio	Earning available for debt service/ Debt service*	0.40	0.58	-31.90%	Due to decrease in profit and increase in loan repayment
Return on equity (ROE)	Net profits/ (loss) after taxes/ Average shareholder's equity	-120.57%	-963.25%	-87.48%	Due to derecognition of subsidiary
Trade receivables turnover ratio	Revenue/ Average trade receivables	1.37	0.79	72.58%	Due to increase in sale
Trade payable turnover ratio	Purchase of services and other expenses/ Average trade payables	0.78	0.52	49.41%	Due to increase in purchases and reduction in average trade payable
Net capital turnover ratio	Revenue/ Working capital	(0.40)	(0.44)	-8.36%	
Net Profit ratio	Net profit/ (loss)/ Revenue	-60.81%	-60.02%	1.31%	
Return on capital employed (ROCE)	Earning before interest and tax/ Capital employed	9.02%	11.18%	-19.34%	

\* Total debts excluding lease liabilities

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(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. Accordingly, MSEDCL is in the process of making payment in compliance with the aforesaid order. 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 Sinner Thermal Power Limited ('STPL'), a wholly-owned subsidiary of the Company wherein all 5 units have commissioned, is yet to commence commercial operations, pending the execution of PPA for offtake of power.
- a) The matter related to execution of PPA with MSEDCL is 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 re-approach MERC after securing firm and unconditional commitment from Lenders for providing working capital/ bank guarantees required for executing the PPA. The management, based upon discussions with lenders, is of the view that the PPA would be restored in favor of STPL.
- b) In view of the above, there is an uncertainty in execution of PPA between STPL and MSEDCL, that may cast significant doubt on STPL's ability to continue as a going concern due to which STPL may not be able to realize its assets and discharge its liabilities in the normal course of business, however, in view of acute power shortage faced by the country, the Ministry of Power has 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 has been directed to make plant operational and endeavour to start power generation from 2 out of its 5 units within 4 months timeframe. Initially, while the plant is expected to take benefit of sharp demand-supply gap in merchant market; it would continue to look for opportunities to tie-up for medium / long term PPA which are expected to emerge for bidding in due course. The Lead Lender and other consortium of lenders have indicated to support these operations by way of providing entire working capital requirement for these operations in line with the advisory from the Ministry. STPL is 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, accordingly, the management is of the view that STPL's status as going concern for the purpose of accounting is appropriate. The Management has undertaken assessment of recoverability of the financial assets and has created provision, wherever deemed necessary.
- 58 Other statutory information
- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Group do not have any transactions with companies struck off.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the period/year.
- (v) The Group have 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 have 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 have 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.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



- (viii) The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (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** 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.
- 60** 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. During the year, the Holding Company has raised certain additional supplementary invoices to MSEDCL to give effect of other favourable orders of change in law and others.
- 61** The Group has been regularly making assessment of adverse impact of COVID-19 on economic environment in general and on financial performance and risks. The Group has been taking proactive measures to mitigate the risk by complying with various directions/ regulations/ guidelines issued by the government and local bodies to ensure safety of workforce across its offices and plants and offices of its associates. The Group is in the business of generation of electricity, which is an essential service, hence, the availability of plant to generate electricity is of critical importance. The Group has been making best endeavours for ensuring 24x7 availability of its power plant and maintaining sufficient stock of coal. Due to its highly competitive tariff, the plant has been getting continuous schedule to generate and dispatch electricity from 01 January 2021 onwards and will continue to maintain its position in Merit Order Stack. Basis the above, the management has estimated its future cash flows for the Group, which indicates no material change in the financial performance as estimated prior to COVID-19 impact and hence, the Group believes that there is no impact in its ability in meeting its liabilities as and when they fall due. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Group will continue to monitor any material changes to future economic conditions.
- 62** Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification / disclosure adopted in the current year including the requirements of the amendments of Schedule III of the Act.

## For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/ N500013

### Rohit Arora

Partner

Membership No. : 504774

Place: New Delhi

Date: 12 May 2022

## For and on behalf of the Board of Directors

### Rajiv Rattan

Chairman

DIN: 00010849

Place: London, UK

Date: 12 May 2022

### Ankur Mitra

Chief Financial Officer

Place: New Delhi

Date: 12 May 2022

### Vibhav Agarwal

Managing Director

DIN: 03174271

Place: Mumbai

Date: 12 May 2022

### Lalit Narayan Mathpati

Company Secretary

Place: New Delhi

Date: 12 May 2022

# Form AOC 1

of (Statement to first proviso to sub-section(3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

## 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 2022	INR	1	5,00	(988.08)	24,031.79	25,014.87	-	-	(954.30)	-	(954.30)	(954.30)	-	100%
2	Sinnar Thermal Power Limited	3 December 2008	31 March 2022	INR	1	3,197.72	(660,131.98)	788,095.16	1,445,028.42	-	-	(241,926.38)	-	(241,926.38)	(241,918.69)	-	100%
3	Sinnar Power Transmission Company Limited*	3 December 2008	31 March 2022	INR	1	92.00	(2,977.10)	21,748.46	24,635.56	-	-	(3,755.19)	-	(3,755.19)	(3,755.19)	-	54.44%
4	Bracond Limited	12 August 2008	31 March 2022	USD	75.81	43,277.11	(57,120.20)	-	13,843.09	-	-	(2.12)	-	(2.12)	(2.12)	-	100%
5	Genoformus Limited*	26 August 2008	31 March 2022	USD	75.81	1.37	(31.54)	-	30.17	-	-	(2.23)	-	(2.23)	(2.23)	-	100%
6	Renemark Limited*	23 August 2008	31 March 2022	USD	75.81	1.37	(31.03)	-	29.66	-	-	(2.23)	-	(2.23)	(2.23)	-	100%

\* These companies are step down subsidiaries of the Company.

Note: Two Subsidiaries i.e. Diana Energy Limited and Devona Power Limited have filed for strike off with MCA during the year and the same is under process.

Names of subsidiaries which are yet to commence operations

Bracond Limited  
Renemark Limited\*  
Genoformus Limited\*

## Form AOC 1 (Contd.)

of (Statement to first proviso to sub-section(3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)



### 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:

- Names of associates or joint ventures which are yet to commence operations N.A.
- 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**  
Chairman  
DIN: 00010849

Place: London, UK  
Date: 12 May 2022

**Ankur Mitra**  
Chief Financial Officer

Place: New Delhi  
Date: 12 May 2022

**Vibhav Agarwal**  
Managing Director  
DIN: 03174271

Place: Mumbai  
Date: 12 May 2022

**Lalit Narayan Mathpati**  
Company Secretary

Place: New Delhi  
Date: 12 May 2022

# Independent Auditor's Report

## 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 2022, 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 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 2022, 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 a non-current investment of ₹ 121,181.77 lakhs (net of impairment provision of ₹ 181,439.78 lakhs) [Previous year - ₹ 121,181.77 lakhs (net of impairment provision of ₹ 181,439.78 lakhs)] and inter corporate deposits (classified under current assets) of ₹ 2,605.00 lakhs [Previous year - ₹ 2,605 lakhs] recoverable from Sinnar Thermal Power Limited (formerly RattanIndia Nasik Power Limited) (STPL), a wholly owned subsidiary of the Company, as at 31 March 2022. The subsidiary company has incurred losses since its inception and is yet to commence operations. The accumulated losses in the subsidiary company amount to ₹ 959,560.21 lakhs as at 31 March 2022, and the management of the subsidiary company has determined that a material uncertainty exists as at 31 March 2022, that may cast significant doubt about the subsidiary company's ability to continue as a going concern. The management of the Company, based on an internal estimate, has recorded an impairment of ₹ 181,439.78 lakhs against carrying value of investment in STPL in earlier years. In the absence of adequate and appropriate evidence for such impairment assessment performed by the management and to support the appropriateness of the going concern assumption, 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 ₹ 121,181.77 lakhs and inter corporate deposits of ₹ 2,605.00 lakhs as at 31 March 2022 and the consequential impact thereof on the accompanying standalone financials Statements.

Our audit report for the year ended 31 March 2021 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 ('the 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.

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 ₹ 220,691.91 lakhs as at 31 March 2022.</p> <p>As detailed in Note no 32 to the standalone financial statements, there are certain claims by the Company which are disputed by MSEDCL including claim on account of Compensatory Claim (CCEA) amounting to ₹ 30,890.74 lakhs and Late Payment Surcharge (LPS) thereon and Change-in-law (CIL) claims. These are under litigation at various levels of regulatory authorities.</p> <p>The Company has obtained a legal opinion from an independent counsel with respect to recoverability of ₹ 30,890.74 lakhs on account of CCEA 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 litigations 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 in relation to recoverability of such dues.</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 counsel and analysed 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 litigation 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>Impairment of power plant at Amravati(Refer note 3 for the accounting policy for impairment of assets)</b>	
<p>The Company has a power generating plant and allied facilities valuing ₹ 587,893.12 lakhs and ₹ 48,871.01 lakhs, respectively.</p> <p>In accordance with Ind AS 36, Impairment of assets, the management identified that impairment indicators existed for the power plant owing to the fact that there has been less than full capacity utilisation of the plant since the commencement of operations, and currently, the plant is operating at around 75% capacity.</p> <p>The aforesaid assessment of the impairment involves exercising a significant judgement with regard to assumptions, estimates involved in forecasting future cash flows. These assumptions include plant operating level, discount rates, estimation of terminal value.</p> <p>Changes in the management forecasts or assumptions can impact the assessment of the discounted cash flows and consequently the valuation of such power plant.</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 and performed a walkthrough to evaluate design effectiveness and tested the operating effectiveness of key controls for identifying impairment indicators as well as determining the appropriate methodology to carry out impairment testing for plant, property and equipment.</li> <li>• Evaluated the appropriateness of applying relevant accounting standards in recognising the impairment loss.</li> <li>• Reconciled the cash flow projections to the business plans approved by the Company's board of directors;</li> <li>• Challenged management on the underlying assumptions used for the cash flow projections including the implied growth rates, discount rate, estimation of terminal value etc. considering the</li> </ul>

## Independent Auditor's Report (contd.)

<p>Considering the significance of the amounts involved, degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of power generating plant as a key audit matter.</p>	<p>evidence available to support these assumptions and our understanding of the business.</p> <ul style="list-style-type: none"> <li>• Tested the discount rate and plant operating level used in the forecasts, including comparison to economic and industry forecasts where appropriate.</li> <li>• Evaluated the sensitivity analysis performed by the management in respect of the key assumptions discussed above to ensure that there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the calculation.</li> <li>• Ensured that disclosures for the aforesaid balances and transactions are adequately disclosed in accordance with the applicable accounting standards.</li> </ul>
<p><b>Litigation and contingent liabilities</b> (Refer note 32 for disclosures related to legal and regulatory cases)</p>	
<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>Key judgments are also made by the 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 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> <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> </ul>

	<ul style="list-style-type: none"> <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 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.

## Independent Auditor's Report (contd.)

- 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 circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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) 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 matter 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 2022 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 2022 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 32 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;
  - 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 2022;
  - 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 2022;
  - 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 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 2022.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Rohit Arora**  
Partner

Membership No.: 504774  
**UDIN:** 22504774AIWKSX9417

**Place:** New Delhi  
**Date:** 12 May 2022

## Annexure A to the Independent Auditor's Report

### 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 2022

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 program 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 program, 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 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 actual owners.	No	Since 2014	Maharashtra Industrial Development Corporation (MIDC) is in process of transferring land 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 2022, 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 and 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 Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (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. 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 during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company has provided loans to Subsidiaries as per details given below:

Particulars	Amount(In lakhs)
Aggregate amount provided during the year	-
Balance outstanding as at balance sheet date	27,605*

\* Includes opening balance as at 31 March 2021

- (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 and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (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)	27,605.00
Agreement does not specify any terms or period of repayment (B)	-
<b>Total (A+B)</b>	<b>27,605.00</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 is no amount which has been considered as deemed deposit 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 to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

## Annexure A to the Independent Auditor's Report

(contd.)

- (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 recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us read alongwith Note 17, 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, 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) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (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 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 them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

(xvi) 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.

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 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, although the Company fulfilled the criteria as specified under section 135(1) 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, 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

**Rohit Arora**

Partner

Membership No.: 504774

**UDIN:** 22504774AIWKSX9417

**Place:** New Delhi

**Date:** 12 May 2022

# Annexure B to the Independent Auditor's Report

## Annexure B

### 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 2022, 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 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 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 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.

## Annexure B to the Independent Auditor's Report (contd.)

### 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 standalone financial statements as at 31 March 2022:

The Company's internal financial control system towards estimating the carrying value of its investment in and loans 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 loans, 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 2022, 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 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 standalone financial statements were operating effectively as at 31 March 2022.
- 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 2022, 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

**Place:** New Delhi  
**Date:** 12 May 2022

**Rohit Arora**  
Partner  
Membership No.: 504774  
**UDIN:** 22504774AIWKSX9417

# Standalone Balance Sheet

of RattanIndia Power Limited as at 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	637,268.06	659,413.04
(b) Capital work-in-progress	4A	10,927.49	9,922.56
(c) Right of use	4B	15,969.14	14,728.61
(d) Intangible assets	5	24.15	5.11
(e) Financial assets			
(i) Investments	6	125,894.42	122,704.79
(ii) Loans	7	20,292.35	22,600.05
(iii) Other financial assets	8	3,200.44	6,982.24
(f) Non-current tax assets (net)	9	805.50	673.19
(g) Other non-current assets	10	161.96	358.47
		<b>814,543.51</b>	<b>837,388.06</b>
<b>Current assets</b>			
(a) Inventories	11	12,722.84	26,785.39
(b) Financial assets			
(i) Investments	6A	378.81	33.92
(ii) Trade receivables	12	221,240.77	195,134.16
(iii) Cash and cash equivalents	13	14,855.05	11,263.35
(iv) Bank balances other than cash and cash equivalents	14	11,478.80	12,851.63
(v) Loans	7	2,605.00	2,605.00
(vi) Other financial assets	8	29,945.65	30,369.31
(c) Other current assets	10	14,186.02	14,594.61
		<b>307,412.94</b>	<b>293,637.37</b>
<b>TOTAL ASSETS</b>		<b>1,121,956.45</b>	<b>1,131,025.43</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	15	537,010.59	537,010.59
(b) Other equity	16	(9,349.50)	(44,103.71)
		<b>527,661.09</b>	<b>492,906.88</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	312,937.41	444,124.19
(ii) Lease liabilities	18	2,930.65	1,471.97
(iii) Other financial liabilities	19	123.20	-
(b) Provisions	20	792.59	709.15
(c) Other non-current liabilities	21	92,751.37	98,133.25
		<b>409,535.22</b>	<b>544,438.56</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	124,625.00	50,000.00
(ii) Lease liabilities	18	862.27	185.97
(iii) Trade payables	22	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,568.75	2,667.64
(iv) Other financial liabilities	23	45,025.18	29,615.29
(b) Other current liabilities	24	5,698.99	7,209.73
(c) Provisions	20	3,979.95	4,001.36
		<b>184,760.14</b>	<b>93,679.99</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,121,956.45</b>	<b>1,131,025.43</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

Rohit Arora  
Partner  
Membership No. : 504774

Place: New Delhi  
Date: 12 May 2022

For and on behalf of the Board of Directors

Rajiv Rattan  
Chairman  
DIN: 00010849

Place: London, UK  
Date: 12 May 2022

Ankur Mitra  
Chief Financial Officer

Place: New Delhi  
Date: 12 May 2022

Vibhav Agarwal  
Managing Director  
DIN: 03174271

Place: Mumbai  
Date: 12 May 2022

Lalit Narayan Mathpati  
Company Secretary

Place: New Delhi  
Date: 12 May 2022

# Standalone Statement of Profit and Loss

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Revenue</b>			
Revenue from operations	25	325,951.86	155,986.12
Other income	26	35,322.27	61,650.53
		<b>361,274.13</b>	<b>217,636.65</b>
<b>Expenses</b>			
Cost of fuel, power and water consumed	27	224,810.96	72,685.17
Employee benefits expense	28	4,922.16	3,885.47
Finance costs	29	58,588.59	66,400.61
Depreciation and amortisation expense	30	22,671.04	22,750.74
Other expenses	31	15,467.77	42,244.32
		<b>326,460.52</b>	<b>207,966.31</b>
<b>Profit before tax</b>		<b>34,813.61</b>	<b>9,670.34</b>
Tax expense	43	-	-
<b>Profit for the year</b>		<b>34,813.61</b>	<b>9,670.34</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Re-measurement of post-employment benefit obligations		(59.40)	(3.26)
<b>Other comprehensive income for the year</b>		<b>(59.40)</b>	<b>(3.26)</b>
<b>Total comprehensive income for the year</b>		<b>34,754.21</b>	<b>9,667.08</b>
<b>Earning per equity share</b>			
	37		
Basic (₹)		0.65	0.19
Diluted (₹)		0.65	0.19

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 Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

**Rohit Arora**  
Partner  
Membership No. : 504774

Place: New Delhi  
Date: 12 May 2022

For and on behalf of the Board of Directors

**Rajiv Rattan**  
Chairman  
DIN: 00010849  
Place: London, UK  
Date: 12 May 2022

**Ankur Mitra**  
Chief Financial Officer  
Place: New Delhi  
Date: 12 May 2022

**Vibhav Agarwal**  
Managing Director  
DIN: 03174271  
Place: Mumbai  
Date: 12 May 2022

**Lalit Narayan Mathpati**  
Company Secretary  
Place: New Delhi  
Date: 12 May 2022

# Standalone Statement of Changes in equity

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

## A Equity share capital (refer note 15)

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

As at 31 March 2021

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	493,978.17	-	493,978.17	43,032.42	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 2020</b>	<b>42,411.21</b>	<b>187,120.17</b>	<b>38.40</b>	<b>(248,489.82)</b>	<b>(18,920.04)</b>
Profit for the year	-	-	-	9,670.34	9,670.34
Other comprehensive income	-	-	-	(3.26)	(3.26)
Adjustment during the year (refer 17(x))	-	-	-	(34,856.26)	(34,856.26)
Employee's stock options vested	-	-	5.51	-	5.51
<b>Balance as at 31 March 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	-	-	-	(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>

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 Chandio & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No. : 504774

**Rajiv Rattan**

Chairman

DIN: 00010849

Place: London, UK

Date: 12 May 2022

**Vibhav Agarwal**

Managing Director

DIN: 03174271

Place: Mumbai

Date: 12 May 2022

**Ankur Mitra**

Chief Financial Officer

Place: New Delhi

Date: 12 May 2022

**Lalit Narayan Mathpati**

Company Secretary

Place: New Delhi

Date: 12 May 2022

Place: New Delhi

Date: 12 May 2022

# Standalone Cash flow statement

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	34,813.61	9,670.34
<b>Adjustments for:</b>		
Depreciation/ amortisation expense	22,671.04	22,750.74
Gain on fair value recognition of debts	(5,360.31)	-
Discount in debt repayment	-	(2,025.00)
Liabilities written back	(5.18)	(30,497.84)
Investment written off	2,179.08	33,037.37
Interest income	(4,350.41)	(4,242.28)
Loss on foreign currency transactions (net)	(54.60)	124.16
Finance costs	58,588.59	66,400.61
Profit on sale of investments	(5.31)	(61.34)
<b>Operating profit before working capital changes</b>	<b>108,476.51</b>	<b>95,156.76</b>
<b>Movement in working capital</b>		
Decrease in inventories	14,062.55	37,656.41
Decrease/ (increase) in other financial assets	176.06	(15,809.46)
Decrease in other assets	728.99	8,490.99
Increase in trade and other receivables	(26,106.61)	(41,611.86)
Increase in other financial liabilities	1,852.95	1,214.49
Decrease in other liabilities	(6,897.64)	(17,417.54)
Increase in trade and other payables	1,901.11	1,532.89
<b>Cash flow generated from operating activities post working capital changes</b>	<b>94,193.92</b>	<b>69,212.68</b>
Income tax (paid)/ refund	(145.64)	756.79
<b>Net cash flow generated from operating activities (A)</b>	<b>94,048.28</b>	<b>69,969.47</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	(1,389.58)	(1,129.01)
Loans given	-	(100.50)
Movement in current investments (net)	(347.98)	27,345.16
Movement in fixed deposits	6,113.10	(13,567.01)
Interest received	1,139.39	1,873.74
<b>Net cash flows generated from investing activities (B)</b>	<b>5,514.93</b>	<b>14,422.38</b>

# Standalone Cash flow statement *(Contd.)*

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term borrowings	(73,471.00)	(47,975.00)
Repayment of short-term borrowings	-	(24,452.00)
Finance cost paid	(22,500.51)	(7,044.38)
<b>Net cash used in financing activities (C)</b>	<b>(95,971.51)</b>	<b>(79,471.38)</b>
<b>Increase in cash and cash equivalents (A+B+C)</b>	<b>3,591.70</b>	<b>4,920.47</b>
Cash and cash equivalents at the beginning of the year	11,263.35	6,342.88
<b>Cash and cash equivalents at the end of the year</b>	<b>14,855.05</b>	<b>11,263.35</b>
<b>Notes:</b>		
<b>a) Cash and cash equivalent comprises of : (refer note 13)</b>		
Cash on hand	11.22	7.91
Balances with banks		
Current accounts	7,866.45	7,115.50
Deposits with original maturity of less than 3 months	6,977.38	4,139.94
	<b>14,855.05</b>	<b>11,263.35</b>
<b>b) Refer note 49 for reconciliation of liabilities arising from financing activities</b>		

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 Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

**Rohit Arora**  
Partner  
Membership No. : 504774

Place: New Delhi  
Date: 12 May 2022

For and on behalf of the Board of Directors

**Rajiv Rattan**  
Chairman  
DIN: 00010849  
Place: London, UK  
Date: 12 May 2022

**Ankur Mitra**  
Chief Financial Officer  
Place: New Delhi  
Date: 12 May 2022

**Vibhav Agarwal**  
Managing Director  
DIN: 03174271  
Place: Mumbai  
Date: 12 May 2022

**Lalit Narayan Mathpati**  
Company Secretary  
Place: New Delhi  
Date: 12 May 2022

# Notes to the Standalone Financial Statements

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



## 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 standalone financial statements for the year ended 31 March 2022 were approved by the Board of Directors on 12 May 2022.

## 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;
- 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/

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

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 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. Excise Duty is not applicable on generation and sale of power. Sales exclude Sales tax and Value Added Tax, where applicable.

Revenue from Power generated during trial runs is accounted on the basis of accruals and is reduced from the Pre-operative expenses.

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.

#### *Late payment surcharge*

Late payment charges and interest on delayed payment for power supply are recognized based on reasonable certainty to expect ultimate collection.

#### *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 2022  
(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/ COD.

### *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 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 measurement (amortisation)*

The cost of capitalized software is amortized over a period in the range of three to five years from the date of its acquisition.

## **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 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.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

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.

#### *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**

#### *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.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### 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.

### 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 income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 and in the overseas branches/ companies as per the respective tax laws. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

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 income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. 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 year 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 statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

**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.

*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.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### 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 related disclosures.

#### *Significant management judgements*

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the standalone financial statements –

**Determining whether an arrangement contains a lease** – Whether an arrangement contains a lease depends on whether 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.

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties under the relevant tax jurisdiction (see note 48).

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**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.

**Recoverability of advances/ receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



**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.

### Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

**Classification of leases** – The classification of the leasing arrangement as a finance lease or operating lease requires several estimates like present value of unguaranteed residual value and present value of minimum lease payments.

### 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. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

### Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. 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.

### 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.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(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 2020	356.93	26,519.56	11.73	723,405.26	320.95	751.22	417.75	412.69	50.47	41.04	56,539.79	808,827.39
Additions	-	-	-	29.78	-	-	12.96	2.89	15.43	-	-	61.06
Adjustment - reclassified to right of use	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>356.93</b>	<b>26,519.56</b>	<b>11.73</b>	<b>723,435.04</b>	<b>320.95</b>	<b>751.22</b>	<b>430.71</b>	<b>415.58</b>	<b>65.90</b>	<b>41.04</b>	<b>56,539.79</b>	<b>808,888.45</b>
Additions	-	-	-	143.48	0.64	44.19	18.58	5.90	9.34	-	-	222.13
Adjustment - reclassified to right of use	-	-	-	-	-	-	-	-	-	-	-	-
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>
<b>Accumulated depreciation</b>												
Balance as at 1 April 2020	-	5,951.79	2.69	101,391.70	293.50	715.22	367.79	378.76	49.95	41.04	17,854.62	127,047.06
Additions	-	1,204.04	0.19	17,150.47	3.96	17.29	24.04	33.72	1.34	-	3,993.30	22,428.35
Adjustment - reclassified to right of use	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>7,155.83</b>	<b>2.88</b>	<b>118,542.17</b>	<b>297.46</b>	<b>732.51</b>	<b>391.83</b>	<b>412.48</b>	<b>51.29</b>	<b>41.04</b>	<b>21,847.92</b>	<b>149,475.41</b>
Additions	-	1,191.29	0.19	17,143.23	3.99	9.78	15.69	2.36	7.28	-	3,993.30	22,367.11
Adjustment - reclassified to right of use	-	-	-	-	-	-	-	-	-	-	-	-
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>
<b>Net carrying amount</b>												
Balance as at 31 March 2021	356.93	19,363.73	8.85	604,892.87	23.49	18.71	38.88	3.10	14.61	-	34,691.87	659,413.04
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

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).

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 company
Land	337.35	Various land owners	No	Eight years	Registration is in process

iii) Refer note 42 for pledge of property, plant and equipments.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



### 4A Capital work in progress

Particulars	CWIP	Total
<b>Balance as at 1 April 2020</b>	9,906.88	<b>9,906.88</b>
Additions	15.68	<b>15.68</b>
Disposals/ adjustments	-	-
<b>Balance as at 31 March 2021</b>	<b>9,922.56</b>	<b>9,922.56</b>
Addition	1,162.58	1,162.58
Disposals/ adjustments	157.65	157.65
<b>Balance as at 31 March 2022</b>	<b>10,927.49</b>	<b>10,927.49</b>

The CWIP projects are active and the management is in process of completing the same with other activities in due course.

### Capital work in progress ageing schedule :-

Particulars	Less than 1 year	1-2 year	2-3 Years	More than 3 years	Total
31 March 2022	1,004.93	15.68	1,598.10	8,308.78	10,927.49
31 March 2021	15.68	1,598.10	249.88	8,058.90	9,922.56
<b>Total</b>	<b>1,004.93</b>	<b>15.68</b>	<b>1,598.10</b>	<b>8,308.78</b>	<b>10,927.49</b>
	<b>15.68</b>	<b>1,598.10</b>	<b>249.88</b>	<b>8,058.90</b>	<b>9,922.56</b>

### 4B Right of use

Particulars	Right of use	Total
<b>Gross carrying amount</b>		
<b>Balance as at 1 April 2020</b>	<b>16,594.97</b>	<b>16,594.97</b>
Additions	-	-
Disposals/ adjustments	220.73	220.73
<b>Balance as at 31 March 2021</b>	<b>16,374.24</b>	<b>16,374.24</b>
Addition	1,536.80	1,536.80
Disposals/ adjustments	-	-
<b>Balance as at 31 March 2022</b>	<b>17,911.04</b>	<b>17,911.04</b>
<b>Accumulated depreciation</b>		
<b>Balance as at 1 April 2020</b>	<b>1,549.73</b>	<b>1,549.73</b>
Additions	316.63	316.63
Disposals/ adjustments	220.73	220.73
<b>Balance as at 31 March 2021</b>	<b>1,645.63</b>	<b>1,645.63</b>
Additions	296.27	296.27
Disposals/ adjustments	-	-
<b>Balance as at 31 March 2022</b>	<b>1,941.90</b>	<b>1,941.90</b>
<b>Net carrying amount</b>		
<b>Balance as at 31 March 2021</b>	<b>14,728.61</b>	<b>14,728.61</b>
<b>Balance as at 31 March 2022</b>	<b>15,969.14</b>	<b>15,969.14</b>

(i) Refer note 42 for pledge of right of use.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### 5 Intangible assets

Particulars	Software	Total
<b>Gross carrying amount</b>		
Balance as at 1 April 2020	528.87	528.87
Additions	-	-
<b>Balance as at 31 March 2021</b>	<b>528.87</b>	<b>528.87</b>
Additions	26.70	26.70
<b>Balance as at 31 March 2022</b>	<b>555.57</b>	<b>555.57</b>
<b>Accumulated amortisation</b>		
Balance as at 1 April 2020	518.00	518.00
Additions	5.76	5.76
<b>Balance as at 31 March 2021</b>	<b>523.76</b>	<b>523.76</b>
Additions	7.66	7.66
<b>Balance as at 31 March 2022</b>	<b>531.42</b>	<b>531.42</b>
<b>Net carrying amount</b>		
Balance as at 31 March 2021	5.11	5.11
Balance as at 31 March 2022	24.15	24.15

- (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. (refer note 17).

### 6 Non-current investments

	31 March 2022		31 March 2021	
	No. of shares	Amounts	No. of shares	Amounts
<b>a) Investments in equity instruments</b>				
<b>Unquoted, fully paid equity instruments of subsidiary companies (at cost)</b>				
Devona Power Limited*	-	-	370,000	37.00
Diana Energy Limited*	-	-	370,000	37.00
Sinnar Thermal Power Limited (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 (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>121,260.77</b>
<b>b) Deemed equity contribution</b>				
Poena Power Development Limited (refer note (ii))	50,000	4,707.65	50,000	1,444.02

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

6 Non-current investments (Contd.)	31 March 2022		31 March 2021	
	No. of shares	Amounts	No. of shares	Amounts
<b>c) Investments in preference shares, unquoted</b>				
<b>In fully paid up preference shares of a subsidiary company (at amortised cost)</b>				
0.0001% Cumulative Non-Convertible Redeemable Preference Shares of Face Value of ₹ 10 each in Devona Power Limited**	-	-	21,000,000	2,100.00
Less :- Provision for Impairment		-		2,100.00
				-
		<b>125,894.42</b>		<b>122,704.79</b>
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		125,894.42		122,704.79
Aggregate amount of impairment in the value of investments		43,277.11		45,377.11

\* These Companies have filed for strike off with MCA and the same is under process.

\*\* Necessary provision/ write off on account of impairment of investment was accounted for during the previous years. (refer note 55)

- i) 31,977,246 (31 March 2021: 31,977,246) equity shares of Sinnar Thermal Power Limited (STPL) have been pledged in favour of the Project Lenders of STPL. (refer note 42)
- 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 42)

### 6A Current investments

#### Unquoted, non trade (at FVTPL)

Investments in mutual funds

120,159.11 (31 March 2021 : 11,129.46) units in ICICI Liquid Prudential Fund-Direct Plan Growth

Aggregate amount of quoted investments and market value thereof

Aggregate amount of unquoted investments

Aggregate amount of impairment in the value of investments

	As at 31 March 2022	As at 31 March 2021
	378.81	33.92
	<b>378.81</b>	<b>33.92</b>
	-	-
	378.81	33.92
	-	-

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

7	Loans (unsecured, considered good)	As at	As at	As at	As at
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
		Non-current		Current	
	Inter corporate deposits (refer note 55)	20,292.35	22,600.05	2,605.00	2,605.00
	Credit impaired	12,258.05	12,258.05	-	-
		<b>32,550.40</b>	<b>34,858.10</b>	<b>2,605.00</b>	<b>2,605.00</b>
	Less :- Provision for doubtful balances	(12,258.05)	(12,258.05)	-	-
		<b>20,292.35</b>	<b>22,600.05</b>	<b>2,605.00</b>	<b>2,605.00</b>
		<b>20,292.35</b>	<b>22,600.05</b>	<b>2,605.00</b>	<b>2,605.00</b>
8	Other financial assets	As at	As at	As at	As at
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
		Non-current		Current	
	Security deposits	988.21	641.51	34.18	60.24
	Unbilled revenue	-	-	29,655.65	30,275.62
	Accrued incomes	-	-	21.93	24.39
	Lease recoverable	486.23	-	225.44	-
	Bank deposits for maturity more than 12 months(i)	1,726.00	6,340.73	-	-
	Advances recoverable				
	Employees	-	-	8.45	9.06
		<b>3,200.44</b>	<b>6,982.24</b>	<b>29,945.65</b>	<b>30,369.31</b>
	(i) Deposits are under lien/ pledged including against bank guarantees, refer note 32 B (II)				
9	Non-current tax assets (net)			As at	As at
				31 March 2022	31 March 2021
	Advance income tax (net of provision)			805.50	673.19
				<b>805.50</b>	<b>673.19</b>
10	Other assets (unsecured, considered good)	As at	As at	As at	As at
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
		Non-current		Current	
	Other advances	-	-	12,898.45	12,979.08
	Prepaid expenses	161.96	307.26	1,287.16	1,615.12
	Balances with statutory authorities	-	51.21	-	-
	Advance rent	-	-	0.41	0.41
		<b>161.96</b>	<b>358.47</b>	<b>14,186.02</b>	<b>14,594.61</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

### 11 Inventories (valued at cost, unless otherwise stated)

Coal <sup>(i)</sup>  
Light diesel oil  
Stores and spares  
Other consumables <sup>(ii)</sup>

	As at 31 March 2022	As at 31 March 2021
	8,289.85	23,107.78
	413.85	273.45
	2,987.52	2,630.12
	1,031.62	774.04
	<b>12,722.84</b>	<b>26,785.39</b>

(i) Includes in transit ₹ 1124.73 lakhs (31 March 2021: ₹ 684.85 lakhs)

(ii) Includes in transit ₹ 96.76 lakhs (31 March 2021: ₹ 6.54 lakhs)

### 12 Trade receivables (Unsecured unless otherwise stated, at amortised cost)

Debtors for sale of power

(i) Considered good - Secured  
(ii) Considered good - Unsecured\*  
(iii) Receivables having significant increase in credit risk  
(iv) Credit impaired

	As at 31 March 2022	As at 31 March 2021
	-	-
	221,240.77	195,134.16
	-	-
	-	-
	<b>221,240.77</b>	<b>195,134.16</b>

\*Company had received Irrevocable Revolving Standby Letter of credit amounting to ₹ 18,206.00 lakhs (31 March 2021 : 18,206.00 lakhs) from Maharashtra State Electricity Distribution Co Limited (MSEDCL) as per Power Purchase Agreement.

#### Trade receivable ageing schedule :-

Particulars	Year	Outstanding for following periods from due date of payment						Total
		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	2021-22	-	36,379.50	21.49	-	-	-	36,400.99
	2020-21	-	49,296.34	-	-	-	-	49,296.34
Undisputed Trade receivable-credit impaired	2021-22	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-
Disputed Trade receivable-considered good	2021-22	-	20,465.98	5,912.86	22,579.56	24,403.37	111,478.01	184,839.78
	2020-21	-	3,957.36	13,938.69	22,980.98	24,883.05	80,077.74	145,837.82
Disputed Trade receivable-credit impaired	2021-22	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-
<b>Total Gross</b>	<b>2021-22</b>							<b>221,240.77</b>
	<b>2020-21</b>							<b>195,134.16</b>
<b>Less : Allowance from credit loss</b>	<b>2021-22</b>							<b>-</b>
	<b>2020-21</b>							<b>-</b>
<b>Net receivable</b>	<b>2021-22</b>							<b>221,240.77</b>
	<b>2020-21</b>							<b>195,134.16</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

13 Cash and cash equivalents	As at 31 March 2022	As at 31 March 2021
Cash on hand	11.22	7.91
Balances with banks		
Current accounts	7,866.45	7,115.50
Deposits with original maturity of less than 3 months (i)	6,977.38	4,139.94
	<u>14,855.05</u>	<u>11,263.35</u>

(i) Deposits are under lien/ pledged including against bank guarantees, refer note 32 B (II)

14 Bank balances other than cash and cash equivalents	As at 31 March 2022	As at 31 March 2021
Fixed deposits original maturity for more than 3 months but less than 12 months (i)	11,478.80	12,851.63
	<u>11,478.80</u>	<u>12,851.63</u>

(i) Deposits are under lien/ pledged including against bank guarantees, refer note 32 B (II)

15 Share capital	As at 31 March 2022	As at 31 March 2021
<b>Authorised capital</b>		
8,500,000,000 (31 March 2021: 8,500,000,000) equity shares of ₹ 10 each	850,000.00	850,000.00
2,500,000,000 (31 March 2021: 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 2021: 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 2022		As at 31 March 2021	
	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	4,939,781,691	493,978.17
Add : Issued during the year	-	-	430,324,169	43,032.42
<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>

During the previous year, 430,324,169 Compulsorily Convertible Debentures (CCDs) were converted into equivalent numbers of equity shares of face value of ₹ 10 each amounting to ₹ 43,032.42 lakhs.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



### 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. 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 2022		As at 31 March 2021	
	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%	1,185,000,000	22.07%
Aditya Birla ARC Limited	556,821,950	10.37%	805,724,169	15.00%
RR Infralands Private Limited	1,302,143,592	24.25%	1,188,224,169	22.13%

### d) Aggregate number of shares reserved for issuance under stock option plans of the Company

	As at 31 March 2022	As at 31 March 2021
RPL ESOP- 2008 (Formerly known as SPCL – IPSL ESOP, 2008)	2,400	300,600
RPL ESOS 2009 (Formerly known as IPL ESOS 2009)	20,400	244,000
RPL ESOS 2011 (Formerly known as IPL ESOS - 2011)	60,000	125,000

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	March 2022	1,302,143,592	24.25%	2.12%
	March 2021	1,188,224,169	22.13%	6.79%
RattanIndia Enterprises Limited	March 2022	1,063,960,011	19.81%	-2.25%
	March 2021	1,185,000,000	22.07%	-1.92%

### 16 Other equity

	As at 31 March 2022	As at 31 March 2021
Retained earnings	(238,924.79)	(273,679.00)
Capital reserve	42,411.21	42,411.21
Securities premium	187,120.17	187,120.17
Employee's stock options reserve	43.91	43.91
	<b>(9,349.50)</b>	<b>(44,103.71)</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### Nature and purpose of other reserves

#### Capital reserve

Capital reserve is created out of the capital profits. It is created out of the profits earned from some specific transactions of capital nature. 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 Company Employee stock option plan.

17 Borrowings	As at	As at	As at	As at
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
<b>Secured</b>				
<b>Term loans</b>				
0.001% Redeemable Preference Shares (refer footnote (v), (vi), (viii))	20,286.82	22,769.83	-	-
0.001% Optionally Convertible Cumulative Redeemable Preference Shares (refer footnote (vi))	37,692.00	37,692.00	-	-
Non-convertible debentures - Facility B (refer footnote (iv), (vi), (vii), (ix))	57,404.29	68,950.84	-	-
Facility A - Non-convertible debentures (refer footnote (i), (iii), (vii), (ix))	-	134,000.00	124,625.00	50,000.00
<b>Unsecured</b>				
Facility C (refer footnote (vi), (vii))	46,102.53	42,106.52	-	-
<b>Loans from related parties</b>				
Inter corporate deposits (refer footnote (vi))	20,696.01	19,175.57	-	-
Elevated inter corporate deposits (refer footnote (vi))	56,347.54	51,463.52	-	-
Sub ordinate inter corporate deposits (refer footnote (vi))	74,408.22	67,965.91	-	-
	<b>312,937.41</b>	<b>444,124.19</b>	<b>124,625.00</b>	<b>50,000.00</b>

- During the previous year, consequent to and upon conversion of the amount outstanding against the Facility A, after adjusting the repayments of the principal amounts made by the Company, 196,500 Facility A - non-convertible debentures ('Facility A NCDs') of face value ₹ 100,000/- each was 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.
- During the year, prepayment was made of ₹ 9,375 lakhs (31 March 2021 : ₹ Nil) against Facility A NCD and ₹ 15,625.34 lakhs (31 March 2021 : ₹ Nil lakhs) against Facility B along with accrued interest. As per the terms of the Framework Facilities Agreement with ABARC, the Company is required to mandatorily prepay 75% of excess MSEDCL receivables.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)



- iii) Facility A NCD aggregating to ₹ 124,625 lakhs (31 March 2021: ₹ 184,000 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 continuing bank guarantee (Non Fund based facility) up to ₹ 24,472 lakhs;
  - pledge of 2,104,649,446 (31 March 2021 : 2,104,649,446) equity shares of the Company held by RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited (“REL”) and RR Infralands Private Limited and 430,324,169 CCDs held by RR Infralands Private Limited through execution of a Deed of Pledge amongst RIL, 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) The Facility B amounting to ₹ 57,404.29 lakhs (31 March 2021: ₹ 68,950.84 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 and facility A1. Further the facility B 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 and facility A1.
- 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:
- 0.001% RPS - Redeemable in bullet repayment of ₹ 25,000 lakhs in December 2023;
  - 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.
  - 12.25% NCD - Repayable in quarterly instalment of ₹ 12,500 lakhs upto 30 September 2022 and thereafter ₹ 109,000 lakhs during quarter ended December 2022;
  - Loan Facility B - Repayable in bullet repayment of ₹ 66,550 lakhs in June 2023;
  - Loan Facility C - Repayable in bullet repayment of ₹ 45,000 lakhs in December 2025;
  - Intercorporate deposit - Repayable in bullet repayment of ₹ 20,320 lakhs in January 2026;
  - Elevated intercorporate deposit - Repayable in bullet repayment of ₹ 55,000 lakhs in December 2025.
  - Subordinate intercorporate deposit - Repayable in bullet repayment of ₹ 72,815 lakhs in December 2025.
- 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 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 states 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 is currently in active discussions with the RPS holders and is confident that the tenure of such RPS shall get extended by another 24 months, following the defined process under the Act and accordingly, such RPS continue to be classified as “long- term borrowings”.
- ix) Further, subsequent to the year- end, RPL has made additional prepayment of ₹ 200 Cr to ABARC towards facilities availed by RPL.
- x) During the previous year, 430,324,169 CCD amounting to ₹ 8,176.16 lakhs which were issued to RRIPL were converted into equivalent number of equity shares of face value of ₹ 10 each amounting to ₹ 43,032.42 lakhs and therefore, corresponding fair value impact of ₹ 34,856.26 lakhs was adjusted in retained earnings.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

18 Lease liabilities	As at	As at	As at	As at
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
Lease liability	2,930.65	1,471.97	862.27	185.97
	<u>2,930.65</u>	<u>1,471.97</u>	<u>862.27</u>	<u>185.97</u>
<b>19 Other financial liabilities</b>			As at	As at
			31 March 2022	31 March 2021
Security deposits received -office premises			123.20	-
			<u>123.20</u>	<u>-</u>
<b>20 Provisions</b>	As at	As at	As at	As at
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Non-current		Current	
<b>Provision for employee benefits (refer note 36)</b>				
Provision for compensated absences	201.36	192.56	32.26	24.24
Provision for gratuity	591.23	516.59	63.71	93.14
<b>Provision for others</b>				
Provision for compensation payable (i)	-	-	3,883.98	3,883.98
	<u>792.59</u>	<u>709.15</u>	<u>3,979.95</u>	<u>4,001.36</u>
(i) Provision for compensation due to availability below 80% of contracted capacity under power purchase agreement.				
<b>Movement in provision for others</b>			As at	As at
<b>Compensation payable</b>			31 March 2022	31 March 2021
<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>
<b>21 Other non-current liabilities</b>			As at	As at
			31 March 2022	31 March 2021
Lease equalisation reserve			92,737.77	98,133.25
Deferred income			13.60	-
			<u>92,751.37</u>	<u>98,133.25</u>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



### 22 Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note 57)

Total outstanding dues of creditors other than micro enterprises and small enterprises

	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro enterprises and small enterprises (refer note 57)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,568.75	2,667.64
	<b>4,568.75</b>	<b>2,667.64</b>

Trade payable ageing schedule :-

Particulars	Outstanding for following periods from due date of payment						
	Year	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Due to MSME	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Due to Others	2021-22	-	3,989.50	118.01	28.53	432.71	<b>4,568.75</b>
	2020-21	-	2,090.26	89.13	153.57	334.68	<b>2,667.64</b>
Disputed dues to MSME	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Disputed dues to others	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
<b>Total</b>	2021-22	-	<b>3,989.50</b>	<b>118.01</b>	<b>28.53</b>	<b>432.71</b>	<b>4,568.75</b>
	2020-21	-	<b>2,090.26</b>	<b>89.13</b>	<b>153.57</b>	<b>334.68</b>	<b>2,667.64</b>

### 23 Other financial liabilities

Interest accrued but not due on

Loans

Inter corporate deposits (Ind AS adjustments)\*

Retention payables

Expenses payable

Capital creditors

Security and earnest money deposits from customers

	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on		
Loans	10,873.61	4,487.99
Inter corporate deposits (Ind AS adjustments)*	7,178.26	18.13
Retention payables	18,895.73	18,964.37
Expenses payable	7,820.62	6,116.05
Capital creditors	228.21	-
Security and earnest money deposits from customers	28.75	28.75
	<b>45,025.18</b>	<b>29,615.29</b>

\*As per terms of Framework Facilities Agreement, no interest shall accrue on Inter corporate deposits prior to their maturity or repayment. Accordingly, interest expenses charged to Statement of Profit and Loss as per applicable Ind AS.

### 24 Other current liabilities

Statutory dues

Lease equalisation reserve

Deferred revenue

Other payables

	As at 31 March 2022	As at 31 March 2021
Statutory dues	219.07	115.35
Lease equalisation reserve	5,395.47	5,395.47
Deferred revenue	-	1,644.12
Other payables	84.45	54.79
	<b>5,698.99</b>	<b>7,209.73</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

25 Revenue from operations	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Operating revenue</b>		
Revenue from operation of power plant	251,308.59	81,342.85
Income from embedded lease of power plant	74,643.27	74,643.27
	<u><u>325,951.86</u></u>	<u><u>155,986.12</u></u>

### 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 2022	For the year ended 31 March 2021
<b>(A) Revenue from contracts with customers</b>		
Based on nature of goods/services		
Sale of electricity	251,308.59	81,342.85
Sale of services	74,643.27	74,643.27

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Receivables</b>		
Trade receivables (gross)	221,240.77	195,134.16
Unbilled revenue for passage of time	29,655.65	29,544.77
Less : Allowances for doubtful debts	-	-
<b>Net receivables (a)</b>	<u><u>250,896.42</u></u>	<u><u>224,678.93</u></u>
<b>Contract assets</b>		
Billed during the year	-	730.85
<b>Total contract assets (b)</b>	<u><u>-</u></u>	<u><u>730.85</u></u>
<b>Contract liabilities</b>		
Recognized as revenue during the year	-	1,644.12
<b>Total contract liabilities (c)</b>	<u><u>-</u></u>	<u><u>1,644.12</u></u>
<b>Total (a+b-c)</b>	<u><u>250,896.42</u></u>	<u><u>223,765.66</u></u>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the Company's obligation to transfer goods or services to a customer for which the Company has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(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 2022	For the year ended 31 March 2021
Revenue as per contract	251,308.59	81,342.85
Adjustments:		
Cash rebate	-	-
Other adjustments	-	-
<b>Revenue from contract with customers</b>	<b>251,308.59</b>	<b>81,342.85</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.

## 26 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Interest on</b>		
Bank deposits at amortised cost	1,238.09	1,320.05
Security deposits	34.43	28.57
Inter corporate deposits	3,052.61	2,893.66
Overdue trade receivables	24,890.87	22,781.17
Income tax refund	27.72	83.16
Others	25.28	-
	<b>29,269.00</b>	<b>27,106.61</b>
<b>Other income</b>		
Profit on sale of investments measured at FVTPL	5.31	61.34
Liabilities and provisions written back (refer note 33)	5.18	30,497.84
Gain on foreign currency transactions and translation (net)	54.60	-
Gain on fair value recognition of debts	5,360.31	-
Miscellaneous income	627.87	3,984.74
	<b>6,053.27</b>	<b>34,543.92</b>
	<b>35,322.27</b>	<b>61,650.53</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>27 Cost of fuel, power and water consumed</b>		
Coal consumed	221,067.23	69,482.57
Electricity consumed	97.51	1,638.57
Water consumed	1,983.01	1,090.67
Others	1,663.21	473.36
	<b>224,810.96</b>	<b>72,685.17</b>
<b>28 Employee benefits expense</b>		
Salaries, wages and bonus	4,634.69	3,690.77
Contribution to provident and other funds	81.22	61.54
Provision for gratuity and compensated absences	159.89	106.98
Staff welfare expenses	46.36	26.18
	<b>4,922.16</b>	<b>3,885.47</b>
<b>29 Finance costs</b>		
<b>Interest on</b>		
Term loans	14,458.73	39,012.60
Interest on finance lease obligations	272.78	202.29
Interest on other financial instruments	2,877.31	2,708.31
Inter corporate deposits	20,008.35	17,433.81
Facility A - Non-convertible debentures	19,876.04	5,931.18
Others	2.90	1.71
<b>Other finance costs</b>		
Loan processing fees	118.00	6.13
Bank guarantee charges	974.48	1,104.58
	<b>58,588.59</b>	<b>66,400.61</b>
<b>30 Depreciation and amortisation expense</b>		
<b>Depreciation on</b>		
Property, plant and equipment	22,367.11	22,428.35
<b>Amortisation on</b>		
Right of use	296.27	316.63
Intangible assets	7.66	5.76
	<b>22,671.04</b>	<b>22,750.74</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



### 31 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent	227.64	278.71
Rates and taxes	458.37	431.37
Legal and professional charges*	2,063.53	1,833.44
Communication	25.32	27.57
Printing and stationery	10.35	6.72
Travelling and conveyance	142.63	66.90
Operation and maintenance expenses	7,139.27	4,136.81
Insurance expenses	983.49	1,109.25
Repairs and maintenance on		
Office	144.51	85.80
Vehicles	22.64	17.10
Others	186.47	456.78
Security expenses	477.86	477.99
Advances and investment written off	2,179.08	33,037.37
Miscellaneous expenses	1,406.61	278.51
	<b>15,467.77</b>	<b>42,244.32</b>
*Includes remuneration to auditors as follows:		
As auditors	53.00	53.00
Other services	-	4.00
Tax audit	-	3.50
	<b>53.00</b>	<b>60.50</b>

### 32 Details of contingent liabilities, pending litigations and other matters:

#### A. Contingent Liabilities of pending litigations not provided for in respect of:

- The Water Resource Department ('WRD' or "Respondent") vide their letter dated 29 January 2013 raised a demand of ₹ 23,218 lakh on Company for payment of irrigation restoration charges @ ₹ 1 lakh per hectare as per Government Resolution (GR) dated 6 March 2009 instead of ₹ 0.50 lakh per hectare as provided in circular from Water Resources Department, Government of Maharashtra dated 21 February 2004. The Company had paid ₹ 11,657 lakh (@ ₹ 0.50 lakh per hectare) and filed a Writ Petition with 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 the Nagpur Bench. The Nagpur Bench vide its order dated 5 May 2016 has partly allowed the petition and declared that demand at revised rate i.e. as per GR dated 6 March 2009 from the petitioner is illegal and unsustainable. As per Nagpur Bench order, the rate prescribed in the GR dated 6 March 2009 is applicable prospectively from 1 April 2009 and is not applicable in case of the Company to whom water allocation was finalized on 12 December 2007.

Pursuant to this, Maharashtra State Government filed a Special Leave Petition ("SLP") before the Hon'ble Supreme Court of India. The Hon'ble Court after hearing parties granted time to the Company to file its Counter Affidavit. The counter affidavit has been filed by the Company. The Water Resource department has to file its Rejoinder Affidavit. The next date of hearing is 18 May 2022. The pecuniary risk in the matter cannot be quantified. Company is confident that the matter will be disposed off in its favour.

- 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 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

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

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 has heard the arguments of both BHEL and the Company and the tribunal has 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 claimant's witness on 6/8/16/22/23/25 August 2022.

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 21 September 2022. The pecuniary risk in the matter cannot be quantified.

The Company filed an appeal against the said 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 21 September 2022. 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.

- 3 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 MIDC. 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. 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 plaintiff has filed an application for appointment of court Commissioner. The matter is now fixed for filing reply on the said application on 17 June 2022. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.

- 4 The Company is using various Microsoft programs/ softwares. During the year ended 31 March 2015, Microsoft Corporation alleged that there is shortfall in the entitled software licenses being used by the Company in its offices and thus the Company has infringed copyright in the Microsoft program/software titles. A suit was filed by Microsoft Corporation before Hon'ble High Court of Delhi on 18 December 2015 against the Company praying for permanent injunction against the Company and further prayed for rendition of accounts of profits and for damages. The pleadings were completed before the Joint Registrar and thereafter the Ld. Registrar had listed the matter before the Court for Framing of Issues. The Issues have been framed in the matter. Compromise/Settlement has taken place between the parties. The matter was disposed off on 02 May 2022 as the settlement deed has been filed before the Hon'ble Court.
- 5 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 has filed a Civil Suit on 03 December 2015 before Civil Judge Senior Division, Amravati claiming ₹ 116.25 Lakh and court fees of ₹ 1.54 Lakh against the work done. The Company has 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 issues on 28 June 2022. The pecuniary risk involved in the present case cannot be quantified. Based on the legal appraisal of the case, Company is confident that the matter will be disposed off in their favour.
- 6 During the year ended 2015-16, Tahsildar of Amravati vide it's order dated 24 February 2016 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

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
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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. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.

- 7 Becquerel Industries Private Limited has 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 sublet 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 and the matter is now listed for issuance of summons to Preeti and Brothers. The next date in the matter is 21 June 2022. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.
- 8 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) has been made a party in the said PIL. The Company has 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. The pecuniary risk involved in the present case cannot be quantified. Company is confident that the matter will be disposed off in their favour.

### B. Contingent liabilities of demand pending under the Income-tax Act, 1961 and other matters not provided for:

#### I Under the Income-tax Act, 1961

- 1 For AY 2018-19, Company is in appeal before CIT(Appeals) against assessment order 143(3) of the Income Tax Act, 1961 for disallowance of ₹ 3,366.00 lakhs. No demand is pending.
- 2 For AY 2020-21, Company is in appeal before CIT(Appeals) against intimation 143(1) of the Income Tax Act, 1961 for addition of ₹ 12,300.00 lakhs. No demand is pending.
- 3 Income Tax Department had filed an appeal before ITAT for AY 2011-12 against an appeal won by the Company before CIT (Appeals) for disallowance of ₹ 209.00 lakhs. The same is pending as on 31 March 2022.
- 4 In respect of the Appeal(s) filed before ITAT for AY 2012-13 to AY 2017-18, the said appeal(s) for disallowance/addition was decided by the ITAT in favour of the Company. However, the said order is subject to further appeal before the High Court. The aggregate addition/disallowance is of ₹ 83,530.00 lakhs.

#### II Others

The Company has provided commitment bank guarantees of ₹ 24,657.78 lakh (31 March 2021 : ₹ 42,552.78 lakh) which are secured by pledge on its fixed deposits of ₹ 12,504.91 lakh (31 March 2021 : ₹ 10,856.52 lakh) as margin for issuance of bank guarantees. Further, the Company has provided lien on its fixed deposit of ₹ 341.47 lakh (31 March 2021 : ₹ 341.47 lakh) as margin for issuance of a commitment bank guarantee of ₹ 5,903.79 lakh (31 March 2021: ₹ 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.

### C. Other pending litigations as on 31 March 2022 are:

- 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 2022

(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 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 has 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 is 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 has 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. Company has filed Impleadment Application in Case No 240/2021 vide 153/MP/2021 and order has been reserved on 26 April 2022.

- 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 has concluded that these charges are recoverable from MSEDCL under "Change in Law" clause of PPA and during the year, the Company has recorded revenue of ₹ 4,410.17 Lakh (31 March 2021: NIL). 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. 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. Appeal is admitted by the Hon'ble APTEL. Pleadings are completed in the said appeal. The next date of hearing in the matter is 12 May 2022.
- 3 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 to 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 document 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 is to file the Affidavit of Evidence. An early hearing application has been moved by the Company. The next date of hearing in the matter is 13 September 2022. The pecuniary risk involved in the present case cannot be quantified.

- 4 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 VVO mode), which corresponds to ex-bus capacity upto 252 MW. This was further corroborated by the CPRI report. In view of above, 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 has 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

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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. The next date of hearing in the said matter is 27 May 2022.

- 5 Due to low dispatch of power schedule by MSEDCL, SECL has imposed penalty on account of non-procurement of minimum quantity of fuel by Company under the FSA. The Company has 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 lakh 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 has 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. The matter is listed for arguments, the next date of hearing is to be intimated.
- 6 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.
- 7 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.
- 8 An application under Section 9 of Insolvency and Bankruptcy Code has been 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 matter has been reserved for orders on 21 March 2022, Order is still awaited.
- 9 Arbitration Proceedings have 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. The next date of hearing is to be intimated.
- 10 Arbitration Proceedings have 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). The next date of hearing is 25 May 2022.
- 11 An application has 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 yet to be intimated.
- 12 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

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

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Hearing held on 06 February 2020, wherein schedule of the arbitration was decided. The next date of hearing is yet to be intimated by the Arbitrator.

- 13 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 12 July 2022.
  - 14 During the year, the Company filed writ petition before Hon'ble Delhi High Court ('Delhi HC') and 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. Subsequent to the balance sheet date, on 5 April 2022, the Company received letters from WCL informing cancellation of LOA and invocation of bank guarantee amounting to ₹ 3,444.00 lakhs. The Company filed an application of stay before Delhi HC and in response thereto, the Delhi HC vide order dated 7 April 2022 directed WCL 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.
  - 15 Company has 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 MCM of Water and the refund of proportionate amount of Irrigation Restoration Charges and Water Commitment Charges. Company's amendment application bringing subsequent events on record and refund of partial water commitment charges paid for 2020-21 supplementary agreement has been allowed. The matter is now fixed for arguments and reply if any to be filed to the amendment application. The next date of hearing is 23 June 2022.
  - 16 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 has 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.
  - 17 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 26 October 2022.
  - 18 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 17 May 2022.
  - 19 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 has also confirmed above demand along with penalty vide its order dated 10 December 2020. Aggrieved by the above order, the Company has filed a writ petition before the Hon'ble Bombay High Court on 15 March 2021 and same is pending for admission as on 31 March 2022. The Company is involved in various legal proceedings and other regulatory matters relating to conduct of its business. In respect of the other 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.
- D. During the financial year 2010-11 and later, the Company had awarded EPC contracts to Elena Power & Infrastructure Ltd ('EPIL'), an erstwhile wholly owned subsidiary of the Company, which mainly includes supply of equipment, material, execution of services including erection, installation, testing and commissioning and carrying out civil and other related work with

respect to its 1350 MW Thermal power plant at Amravati, Maharashtra. As there were various deficiencies and delays in completion of awarded work by EPIL, the Company has been contemplating and engaging to initiate claim(s) for liquidated damages from EPIL based on clauses in agreement. EPC Contractor either can directly compensate the Company or has to claim such damages from its subcontractors who had performed job and caused delay and defaults in timelines as well as performance based on agreements. Pending claim filing, the Company has not recorded any income.

**33** During the previous year, subsequent to the sale of stake, on receipt of no dues from EPIL, the Company had written back intercorporate deposits payable of ₹ 26,009.77 lakhs and retention payable of ₹ 4,119.23 lakhs.

**34** The Company is covered under Section 135 of the Act and accordingly constituted a Corporate Social Responsibility Committee of the Board. However, as the Company did not have average net profits based on the immediately preceding three financial years, the Company is not required to spend amounts towards Corporate Social Responsibility in terms of the Act.

### **35 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, 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 10 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 10 years commencing one year after the date of grant.

##### **RPL ESOS 2011**

During the financial year ended 31 March 2012, the Company has 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

## Notes to the Standalone Financial Statements (Contd.)

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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 10 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 ESOP 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.

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	Option life	1 through 10 years	1 through 10 years	1 through 10 years
5	Expected dividend yield	8%	6.50%	16.67 % from 2014 onwards
6	Risk free rate of interest	8%	6.50%	8.12% to 8.72%

Summary of options granted in respect of the RPL ESOP-2008 are as under:

Particulars	31 March 2022		31 March 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	10	300,600	10	300,600
Options surrendered/ lapsed during the year	10	298,200	10	-
Closing balance	10	2,400	10	300,600
Vested and exercisable options		2,400		300,600

Summary of options granted in respect of the RPL ESOS 2009 are as under:

Particulars	31 March 2022		31 March 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	14	75,200	14	244,000
Options surrendered/ lapsed during the year	14	54,800	14	168,800
Closing balance	14	20,400	14	75,200
Vested and exercisable options		20,400		75,200

Summary of options granted in respect of the RPL ESOS 2011 are as under:

Particulars	31 March 2022		31 March 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	12	87,000	12	175,000
Options surrendered/ lapsed during the year	12	27,000	12	88,000
Closing balance	12	60,000	12	87,000
Vested and exercisable options		60,000		75,000

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
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### 36 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 ₹ 54.84 lakhs (31 March 2021: ₹ 42.20 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.

- 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 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 2022. 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 2022 and 31 March 2021:

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Liability recognised in the balance sheet:</b>				
Present value of obligation as at the beginning of the year	609.73	629.00	216.80	273.18
Current service cost	77.77	61.96	35.42	28.58
Interest cost	44.83	39.07	15.94	15.82
Benefits paid	(136.78)	(123.56)	(20.47)	(25.73)
Actuarial (gains)/ losses and Remeasurement	59.40	3.26	(14.07)	(75.05)
<b>Present value of obligation at the end of the year (as per actuarial valuation)</b>	<b>654.95</b>	<b>609.73</b>	<b>233.62</b>	<b>216.80</b>
<b>Expenses during the year</b>				
Current service cost	77.77	61.96	35.42	28.58
Interest cost	44.83	39.07	15.94	15.82
Actuarial (gains)/ losses	-	-	(14.07)	(75.05)
<b>Component of defined benefit cost charged to statement of profit and loss</b>	<b>122.60</b>	<b>101.03</b>	<b>37.29</b>	<b>(30.65)</b>
Re-measurement of post-employment benefit obligations:				
Actuarial (gains)/ losses	59.40	3.26	-	-
<b>Component of defined benefit cost recognised in other comprehensive income/ (loss)</b>	<b>59.40</b>	<b>3.26</b>	<b>-</b>	<b>-</b>

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of RattanIndia Power Limited for the year ended 31 March 2022

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### Actuarial (gains)/ losses on obligation

Particulars	Gratuity		Compensated absences	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Actuarial (gain)/ loss on arising from change in demographic assumptions	-	-	-	-
Actuarial (gain)/ loss on arising from change in financial assumptions	40.18	0.33	15.03	0.32
Actuarial (gain)/ loss on arising from change in experience adjustments	19.22	2.92	(29.10)	(75.37)

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 2022	31 March 2021
Discount rate	7.18%	6.79%
Expected rate of salary increase	6.00%	5.00%

#### (b) Demographic Assumptions

	31 March 2022	31 March 2021
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	3	3
From 31 to 44 years	2	2
Above 44 years	1	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 ₹ 138.81 lakhs (31 March 2021: ₹ 110.38 lakhs) and ₹ 53.98 lakhs (31 March 2021: ₹ 41.25 lakhs) respectively.

#### (c) Sensitivity analysis of defined benefit obligation

Particulars	31 March 2022	31 March 2021
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 0.50% (31 March 2021: 0.50%)	(50.05)	(40.57)
ii) Impact due to decrease of 0.50% (31 March 2021: 0.50%)	48.69	40.00
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 0.50% (31 March 2021: 0.50%)	49.06	39.67
ii) Impact due to decrease of 0.50% (31 March 2021: 0.50%)	(110.64)	(42.03)

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 2022  
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### (d) Maturity profile of defined benefit obligation

Particulars	31 March 2022	31 March 2021
Less than 1 year	95.98	117.38
Year 1 to 5	141.33	94.93
More than 5 years	651.27	614.22

### 37 Earning per equity share (EPS):

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year	34,813.61	9,670.34
Opening number of shares	5,370,105,860	4,939,781,691
Weighted average number of shares used in computing basic earning per share	5,370,105,860	4,997,551,237
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	-	372,554,623
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 – (₹)	0.65	0.19
Diluted earnings per equity share – (₹)	0.65	0.19

\*OCRPS being non- dilutive in accordance with IND AS 33 as such OCRPS are convertible at market price and hence, have not been considered for calculation of basic and diluted EPS.

### 38 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. Subsidiary companies including step down subsidiaries</b>	Sinnar Thermal Power Limited <sup>#</sup> Devona Power Limited* Diana Energy Limited* Poena Power Development Limited Bracond Limited Sinnar Power Transmission Company Limited** Renemark Limited** Genoformus Limited** Angina Power Limited*** Hecate Power Transmission Limited*** Elena Power And Infrastructure Limited (upto 30 March 2021)

\* These companies have filed for strike off with MCA during the year and the same is under process.

\*\* These companies are step down subsidiaries of the Company.

\*\*\* These companies have filed for strike off with MCA during the previous year.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
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\*\*\*\* During the previous year, pursuant to conversion of CCDs, the shareholding of RRIPL increased to 22.13% and hence RRIPL became significant shareholder of the Company.

# refer note 55

### Other related parties:

#### III. 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)

#### IV. Key Management Personnel

Name	Designation
Rajiv Rattan	Chairman and Director of the Company
Vibhav Agarwal	Managing Director of the Company (w.e.f. 09 November 2020)
Asim Kumar De	Whole Time Director of the Company (w.e.f. 03 November 2021)
Himanshu Mathur	Whole Time Director of the Company (upto 03 November 2021)
Jeevagan Narayana Swami Nadar	Independent Director
Sharad Behal	Independent Director
Yashish Dahiya	Independent Director (upto 16 March 2022)
Neha Poonia	Independent Women Director
Namita	Director
Ankur Mitra	CFO of the Company (w.e.f. 29 January 2021)
Chandan Mishra	CFO of the Company (w.e.f. 28 December 2020 upto 28 January 2021)
Aman Kumar Singh	CEO of the Company (w.e.f. 20 May 2019 upto 09 November 2020)
Sameer Hasmukhlal Darji	CFO of the Company (w.e.f. 15 April 2019 upto 30 June 2020)
Lalit Narayan Mathpati	Company Secretary

#### 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 2022  
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## 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>						
Conversion of CCD into enquiry shares	31 March 2022 31 March 2021	- 43,032.42	- -	- -	- -	- 43,032.42
Loan/ Inter corporate deposit given	31 March 2022 31 March 2021	- -	105.00	- -	- -	- 105.00
Security deposit received	31 March 2022 31 March 2021	- -	- -	143.20	- -	143.20 -
<b>Expenses</b>						
Service cost	31 March 2022 31 March 2021	- -	- -	30.00	- -	30.00 -
Cost sharing payable	31 March 2022 31 March 2021	- -	- -	213.68 326.15	- -	213.68 326.15
Interest expenses (Notional)	31 March 2022 31 March 2021	20,008.35 17,433.81	- -	- -	- -	20,008.35 17,433.81
Short-term employee benefits	31 March 2022 31 March 2021	- -	- -	- -	379.77 361.16	379.77 361.16
Post employment benefits	31 March 2022 31 March 2021	- -	- -	- -	28.30 8.04	28.30 8.04
Fees & remunerations	31 March 2022 31 March 2021	- -	- -	- -	42.48	42.48 -
<b>Income</b>						
Interest on ICD given (notional)	31 March 2022 31 March 2021	- -	955.93	- -	- -	955.93 -
Cost sharing recovery	31 March 2022 31 March 2021	- -	- -	82.63	- -	82.63 -
<b>Others</b>						
Bank guarantees	31 March 2022 31 March 2021	- -	Refer note 32(B)(ii)	- -	- -	- -
Pledge of shares	31 March 2022 31 March 2021	- -	Refer note 6(i), 6(ii) and 17	- -	- -	- -

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(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 2022 31 March 2021	148,316.77 135,470.00	- -	3,135.00 3,135.00	151,451.77 138,605.00
Loan/ Inter corporate deposit given	31 March 2022 31 March 2021	- -	22,897.35 25,205.05	- -	22,897.35 25,205.05
Cost sharing recovery	31 March 2022 31 March 2021	- -	- -	28.66 -	28.66 -
Cost sharing payable	31 March 2022 31 March 2021	- -	(67.61) (67.61)	(551.43) (326.15)	(619.04) (393.76)
Security deposit payable	31 March 2022 31 March 2021	- -	- -	(143.20) -	(143.20) -
Bank guarantees	31 March 2022 31 March 2021	- -	Refer note 32(B)(II)	- -	- -
Pledge of shares	31 March 2022 31 March 2021	- -	Refer note 6(i), 6(ii) and 17	- -	- -

## Notes to the Standalone Financial Statements (Contd.)

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### VIII. Detail of outstanding balance:

	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 Pvt. Ltd.	31 March 2022	-	-	148,316.77	-	-
	31 March 2021	-	-	135,470.00	-	-
<b>Subsidiaries</b>						
Sinnar Thermal Power Limited	31 March 2022	(67.61)	-	-	2,605.00	-
	31 March 2021	(67.61)	-	-	2,605.00	-
Poena Power Development Limited	31 March 2022	-	-	-	20,292.35	-
	31 March 2021	-	-	-	22,600.05	-
<b>Enterprise over which Key Management Personnel have significant influence</b>						
RattanIndia Finance Private Limited	31 March 2022	(539.83)	-	-	-	-
	31 March 2021	(326.15)	-	-	-	-
RattanIndia Enterprises Limited	31 March 2022	(11.60)	28.66	-	-	(143.20)
	31 March 2021	-	-	-	-	-
Asopus Infrastructure Limited	31 March 2022	-	-	3,135.00	-	-
	31 March 2021	-	-	3,135.00	-	-
<b>Total</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>
	<b>31 March 2021</b>	<b>(393.76)</b>	<b>-</b>	<b>138,605.00</b>	<b>25,205.05</b>	<b>-</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(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	Conversion of CCD into equity shares	Interest income (Notional)	Interest expenses (Notional)	Cost sharing payable	Cost sharing recovery	Service cost
<b>Company having substantial interest</b>									
RR Infralands Pvt. Ltd.	31 March 2022	-	-	-	-	20,008.35	-	-	-
	31 March 2021	-	-	43,032.42	-	17,433.81	-	-	-
<b>Subsidiaries</b>									
Sinnar Thermal Power Limited	31 March 2022	-	-	-	-	-	-	-	-
	31 March 2021	-	105.00	-	-	-	-	-	-
<b>Enterprises over which Key Management Personnel have significant influence</b>									
RattanIndia Finance Private Limited	31 March 2022	-	-	-	-	-	213.68	-	-
	31 March 2021	-	-	-	-	-	326.15	-	-
Poena Power Development Limited	31 March 2022	-	-	-	955.93	-	-	-	-
	31 March 2021	-	-	-	-	-	-	-	-
RattanIndia Enterprises Limited	31 March 2022	143.20	-	-	-	-	-	82.63	30.00
	31 March 2021	-	-	-	-	-	-	-	-
<b>Total</b>	31 March 2022	<b>143.20</b>	<b>105.00</b>	<b>43,032.42</b>	<b>955.93</b>	<b>20,008.35</b>	<b>213.68</b>	<b>82.63</b>	<b>30.00</b>
	31 March 2021	-	-	-	-	<b>17,433.81</b>	<b>326.15</b>	-	-

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(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>				
Himanshu Mathur	31 March 2022	54.09	18.26	-
	31 March 2021	88.66	(10.83)	-
Vibhav Agarwal	31 March 2022	141.98	3.20	-
	31 March 2021	57.19	1.79	-
Ankur Mitra	31 March 2022	88.75	1.78	-
	31 March 2021	15.51	0.39	-
Chandan Mishra	31 March 2022	-	-	-
	31 March 2021	33.17	0.58	-
Aman Kumar Singh	31 March 2022	-	-	-
	31 March 2021	121.67	(6.14)	-
Sameer Hasmukhlal Darji	31 March 2022	-	-	-
	31 March 2021	26.37	22.73	-
Asim Kumar De	31 March 2022	72.08	2.85	-
	31 March 2021	-	-	-
Lalit Narayan Mathpati	31 March 2022	22.86	2.22	-
	31 March 2021	18.59	(0.48)	-
Jeevagan Narayana Swami Nadar	31 March 2022	-	-	14.16
	31 March 2021	-	-	-
Sharad Behal	31 March 2022	-	-	14.16
	31 March 2021	-	-	-
Yashish Dahiya	31 March 2022	-	-	14.16
	31 March 2021	-	-	-
<b>Total</b>	<b>31 March 2022</b>	<b>379.77</b>	<b>28.30</b>	<b>42.48</b>
	<b>31 March 2021</b>	<b>361.16</b>	<b>8.04</b>	<b>-</b>

- (i) Besides the above transactions, the Company also provides 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) is waived off by the ALL.
- (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 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### 39 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 2022	31 March 2021
<b>Financial assets</b>			
<b>Investments at FVTPL</b>			
Investments in Mutual funds	Level 1	378.81	33.92
<b>Total financial assets</b>		<b>378.81</b>	<b>33.92</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.

### 40 Financial risk management

#### i) Financial instruments by category

Financial year	31 March 2022			31 March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments in:						
Mutual funds	378.81	-	-	33.92	-	-
Loans:						
Inter corporate deposits	-	-	22,897.35	-	-	25,205.05
Trade receivables	-	-	221,240.77	-	-	195,134.16
Cash and cash equivalents	-	-	14,855.05	-	-	11,263.35
Other bank balances	-	-	13,204.80	-	-	19,192.36
Other financial asset	-	-	31,420.09	-	-	31,010.82
<b>Total</b>	<b>378.81</b>	<b>-</b>	<b>303,618.06</b>	<b>33.92</b>	<b>-</b>	<b>281,805.74</b>
<b>Financial liabilities</b>						
Borrowings	-	-	437,562.41	-	-	494,124.19
Trade payable	-	-	4,568.75	-	-	2,667.64
Other financial liabilities	-	-	45,025.18	-	-	29,615.29
<b>Total</b>	<b>-</b>	<b>-</b>	<b>487,156.34</b>	<b>-</b>	<b>-</b>	<b>526,407.12</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 2022

(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 2022 and 31 March 2021, as summarised below:

Particulars	31 March 2022	31 March 2021
Loans (i)	22,897.35	25,205.05
Trade receivables (ii)	221,240.77	195,134.16
Cash and cash equivalents (iii)	14,843.83	11,255.44
Other bank balances (iii)	13,204.80	19,192.36
Other financial assets (i)	31,420.09	31,010.82

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 an 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.

- (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. Any provisions against such receivables are for liquidated damages and not related to credit worthiness of the counterparty.
- (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 2022

(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 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	4,568.75	-	-	4,568.75
Other financial liabilities	26,745.10	-	-	26,745.10
<b>Total</b>	<b>166,283.18</b>	<b>483,236.87</b>	<b>-</b>	<b>649,520.05</b>

31 March 2021	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	70,245.22	587,736.86	4,666.38	662,648.46
Trade payable	2,667.64	-	-	2,667.64
Other financial liabilities	25,109.17	-	-	25,109.17
<b>Total</b>	<b>98,022.03</b>	<b>587,736.86</b>	<b>4,666.38</b>	<b>690,425.27</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 the US Dollar. 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 is Nil.

#### 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 is Nil.

# Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



## b) Interest rate risk

### i) Liabilities/assets

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2021, the Company is 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 2022	31 March 2021
<b>Variable rate:</b>		
Borrowing	-	-
Loan assets	-	-
<b>Total variable rate exposure</b>	-	-
<b>Fixed rate:</b>		
Borrowing	437,562.41	494,124.19
Loans and deposits	36,102.15	44,397.41
<b>Total fixed rate exposure</b>	<b>401,460.26</b>	<b>449,726.78</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 2022	31 March 2021
<b>Interest sensitivity*</b>		
Interest rates – increase by 100 basis points (31 March 2021: 100 basis points)	-	-
Interest rates – decrease by 100 basis points (31 March 2021: 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 6A). The mutual funds are unquoted investments.

### 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 2022	31 March 2021
<b>Price sensitivity</b>		
Price increase by 1000 basis points (31 March 2021: 1000 basis points)	37.88	3.39
Price decrease by 1000 basis points (31 March 2021: 1000 basis points)	(37.88)	(3.39)

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)

### 41 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 2022	31 March 2021
Long-term borrowings	312,937.41	444,124.19
Short-term borrowings	124,625.00	50,000.00
Interest accrued on borrowings	18,051.87	4,506.12
<b>Total borrowings</b>	<b>455,614.28</b>	<b>498,630.31</b>
Less:		
Cash and cash equivalents	14,855.05	11,263.35
Other bank balances	13,204.80	19,192.36
Investment of excess fund in mutual funds	378.81	33.92
<b>Net debts</b>	<b>427,175.62</b>	<b>468,140.68</b>
<b>Total equity <sup>(i)</sup></b>	<b>527,661.09</b>	<b>492,906.88</b>
<b>Net debt to equity ratio</b>	<b>80.96%</b>	<b>94.98%</b>

(i) Equity includes capital and all reserves of the Company that are managed as capital.

### 42 Details of assets pledged

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	31 March 2022	31 March 2021
<b>Current</b>		
Inventories and trade receivables (to the extent pledged)	233,963.61	221,919.55
<b>Non-current</b>		
Property, plant and equipment	637,268.06	659,413.04
Right of use	15,969.14	14,728.61
Capital work-in-progress	10,927.49	9,922.56
Other intangibles assets	24.15	5.11
Investments (net of impairment provision)	121,186.77	121,186.77

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



### 43 Effective tax reconciliation

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	34,813.61	9,670.34
Domestic tax rate	25.17%	25.17%
<b>Expected tax expense [A]</b>	<b>8,761.89</b>	<b>2,433.83</b>
Adjustment for non-deductible expenses	2,023.71	7,012.79
Tax not recognised on unabsorbed depreciation and carry forward losses	(10,785.60)	(9,446.62)
<b>Total adjustments [B]</b>	<b>(8,761.89)</b>	<b>(2,433.83)</b>
<b>Actual tax expense [C=A+B]</b>	-	-
Tax expense comprises:		
Current tax	-	-
Deferred tax	-	-
<b>Tax expense recognized in statement of profit and loss [D]</b>	-	-

- 44 Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the project not provided for: ₹ 17,541.88 lakhs (31 March 2021: ₹ 4,138.13 lakhs) – advances made there against ₹ 425.54 lakhs (31 March 2021: ₹ 240.42 lakhs).

### 45 Financial Ratios

Following are analytical ratios for the year ended 31 March 2022 and 31 March 2021

Particulars	Numerator/ Denominator	31 March 2022	31 March 2021	Variance	Reason for variance
Current ratio	Current assets/Current liabilities	1.66	3.33	-49.98%	Current portion of Long term borrowings has resulted in decline in ratio
Debt - equity ratio	Total debt*/Shareholder's equity	0.83	1.00	-17.28%	-
Debt service coverage ratio	Earning available for debt service/Debt service*	0.89	0.72	23.51%	-
Return on equity (ROE)	Net profits after taxes/Average shareholder's equity	6.82%	2.00%	241.45%	Due to increase in revenue from power plant
Trade receivables turnover ratio	Revenue/Average trade receivables	1.37	0.79	72.58%	Due to increase in revenue
Trade payable turnover ratio	Purchase of services and other expenses/Average trade payables	1.64	1.65	-0.67%	-
Net capital turnover ratio	Revenue/Working capital	2.66	0.76	249.86%	Due to increase in revenue from power plant
Net Profit ratio	Net profit/Revenue	10.68%	6.20%	72.28%	Due to increase in revenue from power plant
Return on capital employed (ROCE)	Earning before interest and tax/ Capital employed	5.96%	3.28%	81.31%	Due to increase in revenue from power plant

\*total debts repayments excluding lease liability

- 46 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 38)

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

47 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).

### 48 Deferred tax (liabilities)/assets (net)

Particulars	31 March 2022	31 March 2021
	Non-current	
<b>Tax effect of items constituting deferred tax liabilities</b>		
Property, plant and equipment including ROU and intangible assets	(99,905.68)	(95,161.43)
Borrowings	-	(1,532.42)
Lease assets	(179.11)	-
	<b>(100,084.79)</b>	<b>(96,693.85)</b>
<b>Tax effect of items constituting deferred tax assets</b>		
Borrowings	5,715.22	-
Employee benefit obligation	223.64	208.02
Investments	9,707.16	11,057.08
Inter corporate deposits	4,269.93	3,448.54
Lease equalisation reserve	24,703.46	26,056.11
Unabsorbed depreciation and brought forward business losses (i)	55,465.38	55,924.10
	<b>100,084.79</b>	<b>96,693.85</b>
	-	-

(i) The Company has 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 Carry forward business losses and other losses of ₹ Nil (31 March 2021 : ₹ 6,616.52 lakhs) are available for offset for maximum period of eight years from the incurrence of loss and the unabsorbed depreciation of ₹ 243,875.16 lakhs (31 March 2021: 280,211.03 lakhs) are available for offset for indefinite period.

### Movement in deferred tax assets/ (liabilities)

Particulars	As at 1 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)
Borrowings	(1,532.42)	1,532.42	-	-
Lease assets	-	(179.11)	-	(179.11)
	<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>				
Borrowings	-	5,715.22	-	5,715.22
Employee benefit obligation	208.02	0.67	14.95	223.64
Investments	11,057.08	(1,349.92)	-	9,707.16
Inter corporate deposits	3,448.54	821.39	-	4,269.93
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 assets/ (liabilities) (net)</b>	-	-	-	-

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



Particulars	As at 1 April 2020	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2021
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment including ROU and intangible assets	(106,259.97)	11,098.54	-	(95,161.43)
Borrowings	(25,367.69)	23,835.27	-	(1,532.42)
Others	(0.87)	0.87	-	-
	<b>(131,628.53)</b>	<b>34,934.68</b>	-	<b>(96,693.85)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligation	227.06	(19.86)	0.82	208.02
Investments	9,927.37	1,129.71	-	11,057.08
Inter corporate deposits	5,397.98	(1,949.44)	-	3,448.54
Lease equalization reserve	27,414.04	(1,357.93)	-	26,056.11
Trade receivables	134.06	(134.06)	-	-
Unabsorbed depreciation and brought forward business losses	88,528.02	(32,603.10)	(0.82)	55,924.10
	<b>131,628.53</b>	<b>(34,934.68)</b>	-	<b>96,693.85</b>
<b>Deferred tax assets/ (liabilities) (net)</b>	-	-	-	-

### 49 Reconciliation of liabilities arising from financing activities

Particulars	Long-term borrowings*	Short-term borrowings	Total
<b>As at 1 April 2020</b>	495,169.28	52,067.15	<b>547,236.43</b>
<b>Cash flows:</b>			
Repayment of borrowings	(47,975.00)	(24,452.00)	<b>(72,427.00)</b>
<b>Non-cash:</b>			
Conversion to equity shares	(43,032.42)	-	<b>(43,032.42)</b>
EIR adjustment	88,852.33	1,529.62	<b>90,381.95</b>
Written back	-	(26,009.77)	<b>(26,009.77)</b>
Waiver of debt	(2,025.00)	-	<b>(2,025.00)</b>
Reclassification among nature of borrowings	3,135.00	(3,135.00)	-
<b>As at 31 March 2021</b>	<b>494,124.19</b>	-	<b>494,124.19</b>
<b>Cash flows:</b>			
Repayment of borrowings	(73,471.00)	-	<b>(73,471.00)</b>
<b>Non-cash:</b>			
EIR adjustment	16,909.22	-	<b>16,909.22</b>
<b>As at 31 March 2022</b>	<b>437,562.41</b>	-	<b>437,562.41</b>

\* Excluding lease obligation

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 ₹ 325,951.87 lakhs (31 March 2021 ₹ 155,986.12 lakhs) are derived from a single external customer and the Company operates in one geography.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

### 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 2022	31 March 2021
Within one year	69,247.80	69,247.80
One to five years	276,287.40	276,734.16
Above five years	757,376.93	830,755.50

- 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	1037 months - 1058 Months	1048 months	4	-	-	-
Office premises	1	34 Months	34 Months	-	-	-	1

- 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 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>

- c) Lease liabilities are presented in the statement of financial position as follows:

Particulars	31 March 2022	31 March 2021
Current	862.27	185.97
Non-current	2,930.65	1,471.97
<b>Total</b>	<b>3,792.92</b>	<b>1,657.94</b>

- d) 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
Finance charges	406.63	956.29	13,722.91	15,085.83
<b>Net present values</b>	<b>676.33</b>	<b>1,458.73</b>	<b>1,657.86</b>	<b>3,792.92</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



- e) The Company had total cash outflows for leases of ₹ 403.85 lakhs in 31 March 2022 (₹ 224.60 lakhs in 31 March 2021).

The following are the amounts recognised in profit or loss:

Particulars	31 March 2022	31 March 2021
Depreciation expense of right-of-use assets	296.27	316.63
Interest expense on lease liabilities	270.63	202.29
Expense relating to short-term leases (included in other expenses)	227.64	278.71
<b>Total</b>	<b>794.54</b>	<b>797.63</b>

At 31 March 2022, the Company had 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 in, and loan under non-current financial assets of ₹ 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 has undertaken assessment of recoverability and has created provision of these financial assets wherever necessary.
- 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. Accordingly, MSEDCL is in the process of making payment in compliance with the aforesaid order. 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 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 2022 and 31 March 2021.
- 55 The Company has non-current investment of ₹ 121,181.77 lakhs (net of amount written off of ₹ 181,439.78 lakhs (31 March 2021: ₹ 181.439.78 lakhs)) and loans under current financial assets of ₹ 2,605.00 lakhs (net of provision for impairment) recoverable from, Sinnar Thermal Power Limited ('STPL'), a wholly-owned subsidiary of the Company wherein all 5 units have been commissioned but are yet to commence commercial operations, pending the execution of PPA for offtake of power.
- a) The matter related to execution of PPA with MSEDCL is 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 re-approach MERC after securing firm and unconditional commitment from Lenders for providing working capital/ bank guarantees required for executing the PPA. The management, based upon discussions with lenders, is of the view that the PPA would be restored in favor of STPL.
- b) In view of the above, there is an uncertainty in execution of PPA between STPL and MSEDCL, that may cast significant doubt on STPL's ability to continue as a going concern due to which STPL may not be able to realize its assets and discharge its liabilities in the normal course of business, however, in view of acute power shortage faced by the country, the Ministry of Power has 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 has been directed to make plant operational and endeavor to start power generation from 2 out of its 5 units within 4 months timeframe. Initially, while the plant is expected to take benefit of sharp demand-supply gap in merchant market; it would continue to look for opportunities to tie-up for medium / long term PPA which are expected to emerge for bidding in due course. The Lead Lender and other consortium of lenders have indicated to support these operations by way of providing entire working capital requirement for these operations in line with the advisory from the Ministry. STPL is 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, accordingly, the management is of the view that STPL's status as going concern for the purpose of accounting is appropriate. The Management has undertaken assessment of recoverability of the financial assets and has created provision, wherever deemed necessary.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022

(All amount in ₹ Lakhs, unless otherwise stated)

- 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.
- 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	31 March 2022	31 March 2021
(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. This has been relied upon by the Auditors.

### 58 Other statutory information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
  - (ii) The Company do not have any transactions with companies struck off.
  - (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 have not traded or invested in Crypto currency or Virtual Currency during the period/year.
  - (v) The Company have 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 have 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 have 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 willful defaulter by any bank or financial institution or government or any government authority.
  - (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 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

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2022  
(All amount in ₹ Lakhs, unless otherwise stated)



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.

- 60** The Company has claimed certain expenses from one of its related party (RattanIndia Finance Private Limited) which is yet to be acknowledged and accordingly, have not been recorded as recoverable in these standalone financial statements.
- 61** The Company has been regularly making assessment of adverse impact of COVID-19 on economic environment in general and on financial performance and risks. The Company has been taking proactive measures to mitigate the risk by complying with various directions/ regulations/ guidelines issued by the government and local bodies to ensure safety of workforce across its offices and plants and offices of its associates. The Company is in the business of generation of electricity, which is an essential service, hence, the availability of plant to generate electricity is of critical importance. The Company has been making best endeavors for ensuring 24x7 availability of its power plant and maintaining sufficient stock of coal. Due to its highly competitive tariff, the plant has been getting continuous schedule to generate and dispatch electricity from 01 January 2021 onwards and will continue to maintain its position in Merit Order Stack. Basis the above, the management has estimated its future cash flows for the Company, which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Company believes that there is no impact in its ability in meeting its liabilities as and when they fall due. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic conditions.
- 62** Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification / disclosure adopted in the current year including the requirements of the amendments of Schedule III of the Act.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Rohit Arora**

Partner

Membership No. : 504774

Place: New Delhi

Date: 12 May 2022

For and on behalf of the Board of Directors

**Rajiv Rattan**

Chairman

DIN: 00010849

Place: London, UK

Date: 12 May 2022

**Ankur Mitra**

Chief Financial Officer

Place: New Delhi

Date: 12 May 2022

**Vibhav Agarwal**

Managing Director

DIN: 03174271

Place: Mumbai

Date: 12 May 2022

**Lalit Narayan Mathpati**

Company Secretary

Place: New Delhi

Date: 12 May 2022



**RattanIndia Power Limited**

**CIN:L40102DL2007PLC169082**

**Registered Office: A- 49, Ground Floor,  
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**New Delhi: 110037**

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