Reliable Performance

Sustainable Energy Generation

Sembcorp Energy India Limited
Annual Report 2021-22

Contents

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Corporate Information

Board of Directors

Wong Kim Yin
Chairman

Vipul Tuli
Managing Director

Looi Lee Hwa
Director

Eugene Cheng
Director

Radhey Shyam Sharma
Independent Director

Sangeeta Talwar
Independent Director

Kalaikuruchi Jairaj
Independent Director

Key Managerial Personnel

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary

Rupee Lenders

State Bank of India
Bank of Baroda
Punjab National Bank
Union Bank of India
IndusInd Bank
Standard Chartered Bank
DBS Bank India Limited
The Hongkong and Shanghai Banking Corporation Limited
Bank of India
Federal Bank

Statutory Auditors

Price Waterhouse Chartered Accountants LLP
Gurugram

Audit Committee

Radhey Shyam Sharma
Chairman

Sangeeta Talwar
Member

Kalaikuruchi Jairaj
Member

Eugene Cheng
Member

Nomination and Remuneration Committee

Sangeeta Talwar
Chairman

Radhey Shyam Sharma
Member

Kalaikuruchi Jairaj
Member

Corporate Social Responsibility Committee

Kalaikuruchi Jairaj
Chairman

Radhey Shyam Sharma
Member

Sangeeta Talwar
Member

Vipul Tuli
Member

Stakeholders' Relationship Committee

Kalaikuruchi Jairaj
Chairman

Radhey Shyam Sharma
Member

Vipul Tuli
Member

Registered & Corporate Office

5th Floor, Tower C,
Building No 8, DLF Cybercity,
Gurugram - 122002, Haryana

Plant location

Project 1 (P1):
Pyanampuram/ Nelaturu Village,
Muthukur Mandal,
Nellore – 524344,
Andhra Pradesh

Project 2 (P2):
Ananthavaram Village,
Varakavipudi Panchayat,
TP Gudur Mandal,
Nellore – 524344,
Andhra Pradesh

At Sembcorp Energy India Limited (SEIL), we have always endeavoured to meet the energy needs of the present and the future in a sustainable way. We understand our responsibility of reliably generating electricity that ushers in a sustainable tomorrow.

Towards this end, we are actively advocating and participating in the journey towards decarbonisation while endeavouring to provide reliable power supply. Being a responsible thermal energy player in India, we are striving to provide uninterrupted power supply sustainably.

Being at the forefront of innovation, our performance has been consistent in delivering sustainable value and better service to our stakeholders and ensure reliable power generation.

At a glance

Highlights of FY 2021-22

Net block* (₹ million)

150,443
FY 2021-22

Net worth* (₹ million)

110,993
FY 2021-22

EBITDA margin (%)**

28.78%
FY 2021-22

ROCE (%)

6.60%
FY 2021-22

Profit after tax* (₹ million)

1,424
FY 2021-22

*Numbers rounded off to nearest decimal
**Before exceptional item

Entered into a long-term contract with Andhra Pradesh for supply of 625 MW power to the state

Entered into a long-term contract with PTC India Ltd. for supply of 200 MW power to Bangladesh

SEIL has a 2.6 GW supercritical power generation facility in Nellore, Andhra Pradesh

MW- Megawatts
GW- Gigawatts

Message from Managing Director

Dear Shareholders,

I write this message at a time when economic activity and energy demand have recovered after two years of pandemic-associated disruptions.

After the second and third waves of the pandemic in FY2021-22, the accelerated pan-India vaccination drives and multi-pronged fiscal measures helped revive growth, leading to a rebound in energy demand in FY 2021-22. However, the emergence of new COVID-19 variants, commodity price fluctuations and complex dynamics of economic recovery created ongoing uncertainties throughout the past year, that continue today.

We remained resilient and performed well by proactively adapting and taking strategic measures to combat the challenges that arose across our operations, workforce, and communities. Safety and employee welfare was a high priority, which also ensured uninterrupted asset performance.

Through the year as we continued to generate energy sustainably, we also created new benchmarks for operational efficiencies, and redefining paradigms. Our focus on building long-lasting and trusted relationships with discoms, partners, employees, other stakeholders, and the legacy of caring for our communities, remained the bedrock of our long-term sustenance.

With the support of our shareholders and other stakeholders, despite the enormous challenges during the year, we are able to present to our shareholders a stronger balance sheet. FY 2021-22 is yet another year of resilient performance, in a challenging macro environment. We registered a PAT of Rs. 3,870 Mn (growth of 22%), while EBITDA stood at Rs. 22,130 Mn on standalone basis (decreased by 8% from the previous year). EBITDA and PAT numbers are adjusted for exceptional and one-offs.

The signing of another long-term contract for power supply to Andhra Pradesh and a second long term contract to supply Bangladesh were some of the other major accomplishments during the period. These new contracts have significantly reduced the risk profile of our business.

Demand momentum and policy interventions

It has been a watershed year for the thermal power sector. With the Government focusing on providing 24x7 power supply to all, demand growth along with capacity additions has accelerated. In the second half of FY 2021-22 India witnessed its highest ever power demand, resulting in an annual growth of 8.2%. The nation's focus on uninterrupted electricity access along with resurgence in power demand post the pandemic will ensure that the demand growth for electricity remains high. In particular, widespread use of air conditioning, new manufacturing activity and a continued focus on infrastructure creation are expected to be high impact drivers of demand in India for decades to come.

India continued with its reforms across the power value chain. During the year the Government took steps to enforce payment security mechanisms for power procurement, and to reduce the time taken to recover the costs incurred due to compliance with any change in law. In particular, new LPS Rules that have been enacted provide the basis for a fundamental debottlenecking of the long standing issue of long overdue receivables. As I write this, the new rules have been enforced and the first sets of payment have begun. This reduces risk in the sector, and frees up equity for new investments across the industry.

The other key regulatory development is the upcoming introduction of General Network Access, which would benefit the sector in general and also SEIL.

The very strong resurgence in demand during 4QFY2021-22 also exposed the lack of spare capacity in the entire power industry value chain, including coal production, the structural limitations of renewables generation, distribution company viability, and tariff flexibility. The crisis that ensued has highlighted the importance of viability and cashflow across the value chain, and the criticality of maintaining sufficient baseload capacity that is available and ready to generate.

Finally, changes in weather patterns were more frequent this past year, further contributing to volatility. Weather directly impacts demand for power, supply of domestic coal, and the call on thermal power due to its impact on wind power generation. This further underlined the need for adequate spare capacity to be maintained at every level in order to absorb weather related shocks.

Strengthening operating performance

Amidst the challenges including the pandemic and tightening of the fuel market, we continued generating power in a sustainable manner while stringently adhering to our standards and environmental protocols. We also successfully conducted three plant unit overhauls, of which two were annual overhauls, and one was a full capital overhaul. Through all these major planned maintenance activities, we maintained stringent safety and health parameters - a commendable feat that was possible with active collaboration by over 300 engineers and more than 1,500 dedicated associate personnel.

Our pursuit for operational excellence combines efficient fuel sourcing techniques, a customer-centric approach and reliability. SEIL's operations maintained an average Plant Load Factor (PLF) of 73% on a complex basis, while producing PAT positive results in a challenging environment marked by pandemic-induced disruptions and a demanding power sales market. Our open capacity was reduced from 50% of gross capacity to 18.75%. Among Indian Independent Power Producers, SEIL continues to be one of the most dependable power providers with a complex basis annual availability of 90%.

We also saw the successful rollout of our in-house online performance management tool – SPARK – for heat rate optimisation and the implementation of an energy management system (EMS) for optimisation of auxiliary consumption. During the year the business also achieved 100% utilisation of fly ash. Our sustained tree plantation drives to enhance the greenbelt crossed the milestone of 10 lakh trees in FY 2021-22.

Health, safety and environment

Our employee health, safety and general well-being remain our foremost priority. We continue to nurture and promote a strong culture of safety across our operating areas.

We embarked on a Behaviour Based Safety (BBS) journey towards Zero Harm in 2018. The hot-spots identified through BBS contributed significantly to our learning events at SEIL. The enhanced monitoring and learning events from BBS helped us tide over the pandemic. Today SEIL's success story from BBS implementation is being shared in forums across India. Along the way, we have also been recognised with four corporate awards in as many years.

We continue to integrate our operating processes to ensure prompt action towards any untoward incidents on account of the health and safety of our people. I am proud and happy to report that, during these unprecedented times that have radically altered businesses, the courage, our employees demonstrated have helped the business to maintain the highest levels of safety and precautionary measures.

Appreciation

I would like to thank all my fellow colleagues for their efforts, which have demonstrated our culture of resilience and adaptability, while delivering in these challenging times. I would like to acknowledge the continued trust and support we received from our stakeholders that will help strengthen their positive association with Sembcorp India in the coming years. I am grateful to our Chairman and Board of Directors and our promoters for their continued commitment, invaluable guidance, and support to deliver the strategy we have set out for Sembcorp in India.

Vipul Tuli
Managing Director

PAT- Profit After Tax
EBITDA- Earnings Before Interest, Taxes, Depreciation, and Amortization

Board of Directors

Mr. Wong Kim Yin
Chairman

Mr. Vipul Tuli
Managing Director

Ms. Looi Lee Hwa
Director

Mr. Eugene Cheng
Director

Mr. Radhey Shyam Sharma
Independent Director

Ms. Sangeeta Talwar
Independent Director

Mr. Kalaikuruchi Jairaj
Independent Director

Mr. Wong Kim Yin
Chairman

Wong Kim Yin is Group President & CEO of Sembcorp Industries. He is a member of the board's Executive Committee and Technology Advisory Panel. He has over 20 years of leadership experience in the energy sector and investment management. Formerly the Group Chief Executive Officer of Singapore Power (SP Group), a leading energy utilities group in the Asia Pacific, he led the transformation of the company towards an increased focus on sustainability and innovation. Prior to joining the SP Group, Mr Wong was Senior Managing Director, Investments, at Temasek International, and was responsible for investments in the energy, transportation and industrial sectors. And before joining that, he was with The AES Corporation, a global power company listed on the New York Stock Exchange, managing project development and mergers and acquisitions across the Asia Pacific. He is also the Chairman of SkillsFuture Singapore, a government agency focused on lifelong learning under the Singapore Ministry of Education. He is a director of SeaTown Holdings, China Venture Capital Fund Corporation, DSO National Laboratories, and the Inland Revenue Authority of Singapore. He holds a Bachelor of Science in Computer Science & Information Systems from the National University of Singapore and a Master's Degree in Business Administration from the University of Chicago Booth School of Business.

Mr. Vipul Tuli
Managing Director

Vipul Tuli is the Managing Director of our Company. He holds a bachelor's degree in technology (chemical engineering) from the Indian Institute of Technology, New Delhi and a post-graduate diploma in management from the Indian Institute of Management, Kolkata. He has been associated with the Sembcorp group since 2015 in various positions, including as the chief executive officer & country head, India, as Managing Director of Sembcorp's thermal businesses in India, and as the head of group strategy at SCI. Prior to joining the Sembcorp group, he was associated with McKinsey & Company, Inc. since 1992, where he worked across the energy, chemicals and infrastructure sectors, and at the time of leaving in 2015, was acting as a director (senior partner) based in its India office.

Ms. Looi Lee Hwa
Director

Looi Lee Hwa is a Non-executive Director on our Board. She holds a bachelor's degree in law from the National University of Singapore. Looi Lee Hwa is the General Counsel at SCI. Prior to joining the Sembcorp group, she was associated with Neptune Orient Lines Limited and Chartered Semiconductor Manufacturing Ltd.

Mr. Eugene Cheng
Director

Mr Cheng joined Sembcorp in March 2021 and oversees the Group's finance, strategy, portfolio, and commercial functions.

He brings with him extensive experience in financial and strategic leadership across the aviation, offshore oil & gas, marine engineering and logistics industries. Prior to joining Sembcorp, Mr Cheng was chief corporate officer of SATS where he oversaw key business functions such as business development, strategic investments and mergers and acquisitions (M&A), as well as corporate strategy. Mr Cheng also served as group chief corporate officer of IMC Industrial Group. He was an investment banker with JP Morgan and Citigroup, specialising in M&A advisory, corporate financing and capital raising.

Mr Cheng holds a Bachelor (First Class Honours) and a Master of Accountancy from Nanyang Technological University.

Mr. Radhey Shyam Sharma
Independent Director

Radhey Shyam Sharma is an Independent Director on our Board. He holds a bachelor's degree in arts from the University of Delhi. He is a qualified cost accountant and is also an associate member of the Indian Institute of Bankers. Mr. Sharma has been previously associated with ONGC Limited as its Chairman and Managing Director.

Ms. Sangeeta Talwar
Independent Director

Sangeeta Talwar is an Independent Director on our Board. She holds a bachelor's degree in arts from the University of Delhi and holds a postgraduate diploma in management from the Indian Institute of Management, Kolkata. She has also completed the executive development programme from the Wharton School, University of Pennsylvania. Ms. Talwar is currently a designated partner at Flyvision Consulting LLP. She has, in the past, been associated with Nestle India Limited as its Executive Vice President, marketing, Mattel Inc. as its Managing Director, India, Tata Tea Limited as its Executive Director, marketing, and NDDB Dairy Services as its Managing Director.

Mr. Kalaikuruchi Jairaj
Independent Director

Kalaikuruchi Jairaj is an Independent Director on our Board. He holds a bachelor's degree in economics and in law from the Bangalore University and a Master's Degree in Economics from the Delhi School of Economics. Mr. Jairaj is also a postgraduate in public administration from the Woodrow Wilson School of Public and International Affairs, Princeton University, as well as from the Kennedy School of Government, Harvard University. He was an additional chief secretary in the Government of Karnataka and was the chairman of the Bangalore Electricity Supply Company Limited.

He was associated with the World Bank as its senior public sector management specialist. Further, Mr. Jairaj was the President of the All India Management Association, Delhi.

Senior leadership team

Mr. Vipul Tuli
Managing Director

Mr. Juvenil Jani
Chief Financial Officer

Mr. Raghav Trivedi
Business Head

Mr. V. Kalyan Kumar
Head - Human Resources

Mr. Ramesh Raman
Head - Operations &
Maintenance

Overview

Industry insights

India's energy system is undergoing a shift. For a country whose energy demands are expected to grow more than any other nation, ensuring a well-planned and just transition away from conventional power is therefore critical. Conventional Power has thus far served as the cornerstone of India's industrial growth and modernisation, giving a rising number of Indian people access to modern energy services. As India charts its ambitious journey of transforming its energy systems, conventional power will continue to play a critical role of supporting this transition and help meet the demands of a growing economy.

In the longer term, demand growth is also expected to stay on the higher side, as a result of following two factors:

- Government's policy initiatives which mandates providing uninterrupted electricity access to all along aimed at increasing per capita electricity consumption.
- Shift from other fuels to electricity in agricultural applications, transportation and cooking, and so on. The share of electricity in India's energy mix has increased from 17% in 2017 and now stands at 19%, which will move closer to 25% as is in developed countries.

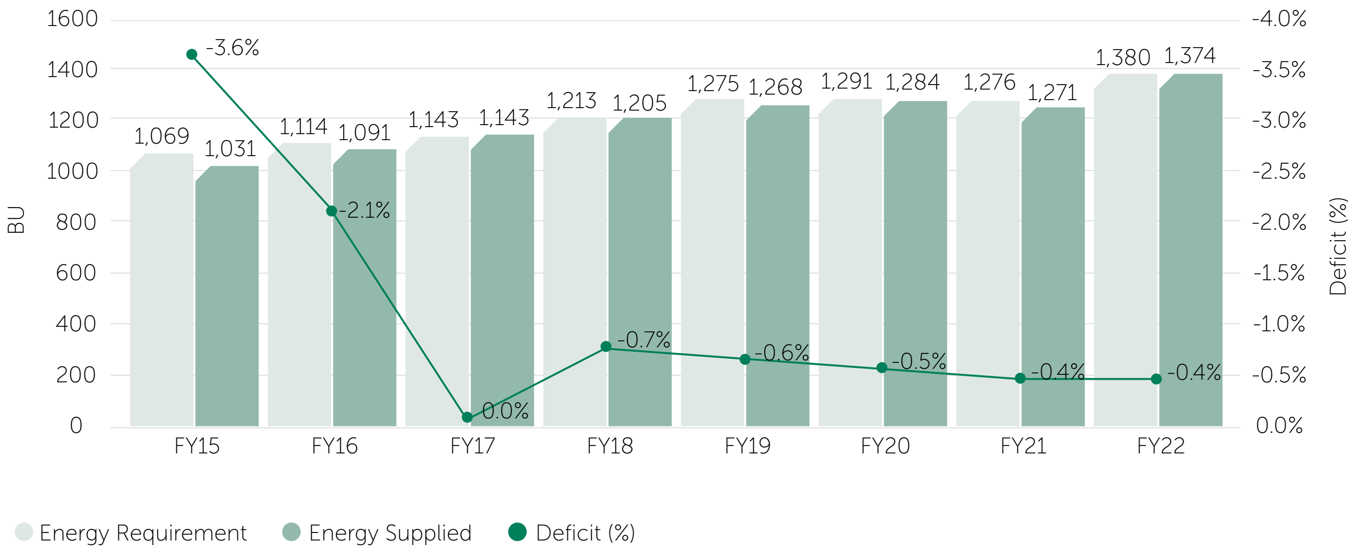
Steady growth in demand and supply

In FY 2021-22, Indian power sector moved on steadily towards meeting the aspirations of a growing economy. Government's focus on providing 24x7 power supply to all accelerated the demand growth as well as catalysed capacity additions. As the second wave of Covid-19 subsided, power demand in the country saw its highest growth in last six months of the fiscal, resulting in an annual growth of 8.2% and reaching 1,380 BU* as compared to 1,276 BU in FY 2020-21. Along with recovery in GDP growth which stood at 8.7% for FY22, a severe heat wave too contributed towards such a high demand. It is expected that the GDP growth for next year may be slightly lower, weighed down by the ongoing global geopolitical disturbances and higher inflation levels. However, with focus on 24x7 supply and a resurgent demand after protracted periods of Covid related restrictions, demand growth is expected to be remain high over the next twelve months.

*BU- Billion units

Steady growth in demand[1]

(₹ Million)



On the supply side, despite its inherent systemic risks, the country is witnessing growth and has emerged as the world's third-largest electricity producer. India's total generation capacity stood at over 399 GW[2] as of March 2022, of which around 49%[3] is contributed by the private sector.

Role of conventional power generation in supporting the green transition

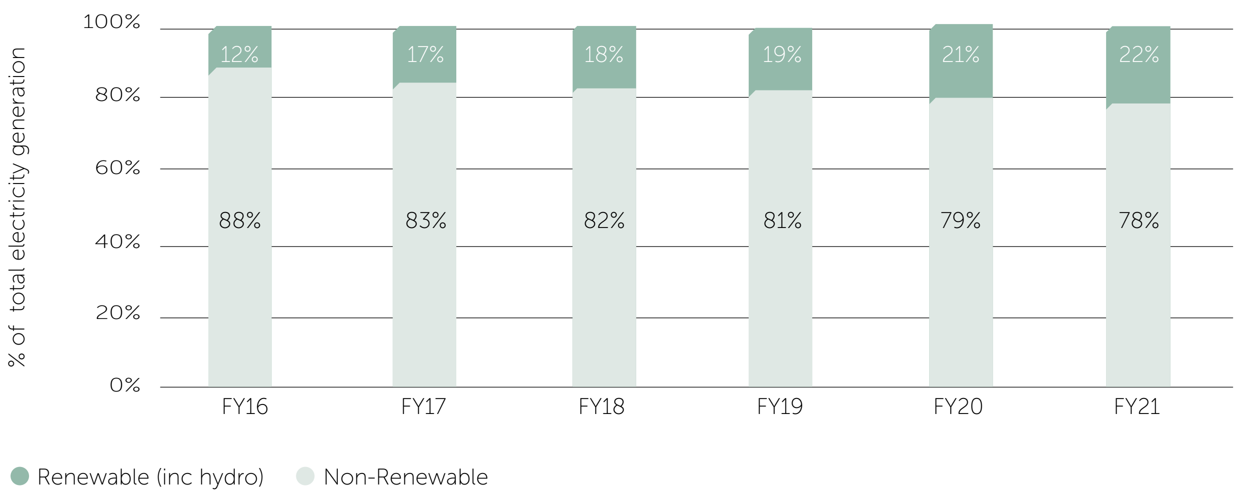
Being a developing nation, India's energy requirements are of prime importance for its economic growth. Factoring in these growth aspirations, India has targeted to meet 50% of its energy requirements from renewable energy by 2030 and the rest from non-renewable sources. Supply from conventional sources, coal in particular, is going to play a crucial role during the transition phase to increase the share of renewable energy by providing balancing power. With a balanced energy mix India will be able to achieve twin goals, meet increasing demand for electricity to sustain the economic growth and simultaneously, accelerate clean energy transition.

[1]CEA [2]CEA [3]CEA

Overview (continued)

India targets to meet 50% of its energy requirements from renewable energy by 2030[4]

(%)



While renewable energy has enormous environmental and energy security benefits, however, it poses a challenge due to its variable generation profile. Recognising this there has been now more focus on hybrid (wind-solar) bids and bids with storage. In addition to providing a flat generation pattern, such projects also use transmission system optimally.

Recent policy initiatives to address major issues in the sector

To address the challenges that have been affecting the power sector for long time, several policy initiatives were introduced in FY 2021-22. Since the financial health of discoms and resultant payment delays to generators has remained a major issue, policy measures such as the introduction of Revamped Distribution Sector Scheme, Late Payment Surcharge Rules, and the push for adequate payment security were all forward-looking moves. Policies with a long-term objective were also introduced such as the amendments to National Electricity Policy, and the Green Hydrogen policy among others.

Enforcing payment security mechanism for power procurement and payment of outstanding dues:

The total receivables from various discoms reached to ₹ 86,434[5] crore at end of March 2022. To address this, ministry of power issued draft Late Payment Surcharge Rules. These rules provide for a time bound plan for payment of outstanding dues (including LPS till date of notification).

Further, to regularise future payments for power procurement, discoms are either required to maintain adequate payment security mechanism (PSM) or make advance payments. Generators are also not allowed to supply power unless there is adequate PSM or discoms have made advance payment, otherwise they shall lose the right to collect the LPS.

[4] CEA and COP26

[5] PRAAPTI Portal

Timely recovery of costs due to change in law rules, 2021

These rules would reduce time taken to recover the costs incurred due to compliance with any new laws or regulations. As per these rules, an affected party can estimate and start billing the additional cost as per the formula given in the agreement. In parallel, parties would approach appropriate regulatory commission to get the cost impact on tariff due to change in law approved. Any differences between the billed amounts and amount approved by the regulatory commission will be now trued up subsequently.

Proposed amendments in National Electricity Policy

National Electricity Policy (NEP) aimed to provide a long-term direction to the power sector in India. The proposed changes in the policy signal the government's intention to resolve some of fundamental issues as well as to address some of the fresh concerns of the industry. Major focus areas of the proposed changes are:

- Promotion of clean and sustainable generation of electricity
- Development of adequate and efficient transmission system
- Revitalisation and modernisation of discoms
- Development of efficient markets for electricity
- Supply of reliable and quality power of specified standards in an efficient manner.

Revamped Distribution Sector Scheme (RDSS)

The scheme focuses on improving the operational efficiencies and financial health of discoms by providing financial assistance for strengthening and modernising their systems, digitising them and reducing interruptions. This will help in improving Discom financials which will in turn resolve many related issues in the sector. The scheme has central Government grant component to attract discoms and it targets to reduce Aggregate Technical & Commercial (AT&C) losses to 12-15% and Average Cost of Supply (ACS) and the Average Revenue Realized (ARR) gap to zero by FY 2024-25 by modernising the distribution network, introducing smart meters, improve billing and collection among other measures.

Important regulatory developments

With an overall objective of aligning the regulatory framework towards market-based operation and integration of higher share of renewables, several regulatory interventions were introduced and many more were in the pipeline. The important regulations that were issued in FY 2021-22 or those that were under development are:

1. Deviation Settlement Mechanism (DSM)

The regulations on Deviation Settlement Mechanism and Ancillary services enable the market participants (procurer as well as generators) to adhere to their original schedules and for any adjustment required to maintain the grid security, the same shall be dealt by the system operators. Apart from enhancing safety of the grid, this mechanism opens up earning opportunities for the generators, especially the ones which can quickly ramp-up / ramp-down their capacities by providing grid support through ancillary services.

2. General Network Access (GNA)

The concept of General Network Access is a major change in grid access regulations in India. Instead of the current system of contract-based access and pricing, under GNA the injecting as well as drawee entities will have access to the grid independent of nature and duration of power procurement contract. Further, charges for use of transmission system shall now be borne only by the procurer and not the generators. This will provide greater and faster grid accessibility, thereby encouraging a shift towards market-based power procurement, It will also provide relief to the plants with uncontracted capacities as these facilities had to take short-term open access or had to get fixed cost basis un-tied Long-Term Access (LTA) to dispatch their power. For new projects, generators would have to take only the connectivity and they will be deemed to have GNA required for dispatch the power.

In addition to the above regulations, trading of green energy on power exchanges with day-ahead and term-ahead (up to 11 days) contracts, specifically for trade in power renewables were introduced and are now operational. Till now all renewable energy projects were being developed with only long-term contracts. Introduction of these products have brought in a market element in renewables, wherein generators can now optimise such contracts. This also enables development of hybrid projects, as the combined generation of hybrid projects may exceed the contracted capacity and whereby the additional generation can be then sold in the exchange.

All these policy and regulatory initiatives viewed together points to larger and better move towards market based and renewable friendly power sector.

Our business

Aiding energy transition and sustainable development

Sembcorp is one of India's leading independent power producers. A prominent energy player, we are committed to providing innovative solutions that aid in the energy transition and sustainable development of the regions where we operate.

We develop and operate power generation assets across the conventional and renewable power sectors in India.

Headquartered in Gurugram, Haryana, Sembcorp Energy India Limited is a subsidiary of Sembcorp Utilities Pte. Ltd. (SCU).

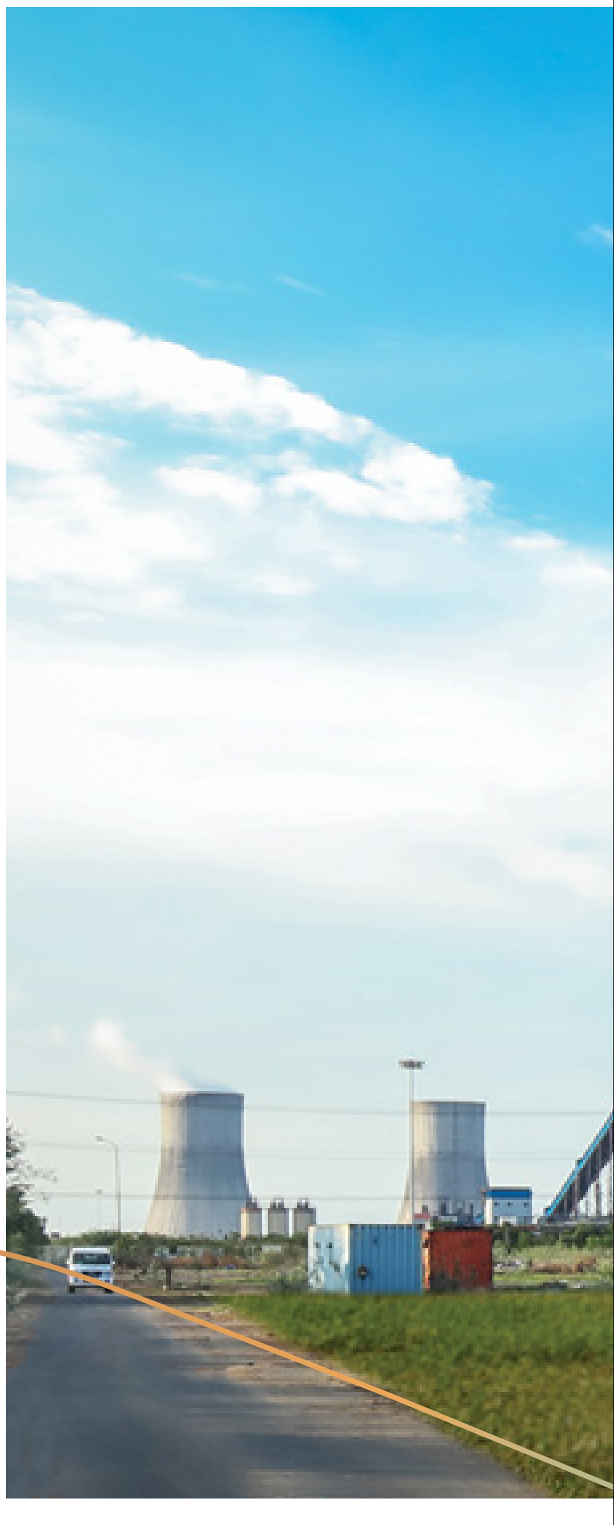
We deploy four supercritical power generation units to generate conventional energy. We leverage our domain knowledge to focus on our aim to deliver reliable, sustainable, and affordable energy

2,640 MW

Total power generation capacity

4 x 660 MW

Supercritical power generation units



Sustainability is our business

Our purpose

Sembcorp's purpose and passion is to do good and play our part in building a sustainable future.

Our vision is to be a leading provider of sustainable solutions - supporting development and creating value for our stakeholders and communities.

We believe in

Institution First

Put interest of Sembcorp ahead of other interests

Collaboration

Deliver through collaborating across functions and businesses

Accountability

Hold self and team accountable to deliver on goals

Sembcorp is well-placed to contribute to India's energy and sustainability transition

Right Industry

Global Megatrends

Right Time

Strong Momentum on Sustainability

Right Place

High Growth Markets

Technological Edge

Highly efficient supercritical technology with track record of world class operations

Strategic Location

Location adjacent to **deep water seaport** (Krishnapatnam) ensures uninterrupted fuel supply

Sustainable Operations

Seawater desalination technology utilised to meet plant's water requirement to conserve ground water

Evaluating performance

Smart and efficient operations for sustainable and reliable power

Our pursuit for operational excellence combines efficient fuel sourcing techniques, a customer-centric approach and reliability. SEIL's operations maintained an average Plant Load Factor (PLF) of 73% on a complex basis, while producing PAT positive results in a year marked by pandemic linked disruptions and a demanding power sales market.

Our open capacity was reduced from 50% of gross capacity to 18.75%. Among Indian Independent Power Producers, SEIL continues to be one of the most dependable power providers with a complex basis annual availability of 90%.

2,640 MW
Gross capacity

31.25%
Additional capacity tied up through long term PPAs

Overhauling of power assets — demonstrating reliability

Our state-of-the-art, reliable power assets meet customer needs while adhering to complete safety and environmental regulations. Our plants are based on supercritical power generation technology, which makes them operate at lower emission levels compared to subcritical power plants.

We execute periodic maintenance (overhauls) on plant equipment as required to check the equipment's functioning and ensure its long-term operation until the next maintenance cycle.

We prepared for the overhaul in the month of March 2021, well in advance. SEIL P1 U1 and SEIL P2 U1&U2 overhauls were planned for the third quarter of FY 2021-22, to take maximum advantage of the market conditions.

Factoring the views from Original Equipment Manufacturers (OEMs), subject matter experts, and agencies as well as lessons learned from past experiences and with prudent industrial practices.

Our unit overhauls are typically designed to complete:

- Prudent shutdown activities;
- OEM recommended activities;
- Activities addressing performance/ efficiency/auxiliary power consumption improvements;
- Enhancements addressing reliability improvement;
- System upgradations to avoid obsoletion.

Continuous improvement

We ensure that in addition to inspections and modifications, overhauls also include enhancements. As part of improving reliability, we commissioned additional bays at the SEIL P2 Gas Insulated Substation (GIS). One of the most important improvements was to install metal temperature monitoring thermocouples on the boilers' final superheater and reheater tubes.

Reducing risk

We understand that maintaining updated control system hardware is essential to ensure efficient operation. Hence, we replaced the controllers proactively to reduce the risks of obsolescence.

Analysing results

Following the overhaul, the performance of the units was examined in terms of efficiency, auxiliary power consumption, and reliability, and the results continued to meet expected benchmarks.

Automation of operations

We have taken several initiatives across our organisation in order to automate our operations.

Enhancing the performance monitoring system

We enhance our operating efficiency through automation to reduce our environment footprint and safeguard the health and safety of our teams. We monitor our day-to-day performance and collect relevant data regularly, which serve as critical benchmarks for evaluation and decision-making.

Several key performance indicators are monitored by our performance monitoring system, some of which include actual and design values, gross heat rate (GHR), turbine heat rate (THR), boiler efficiency, and controllable losses. Our performance monitoring system's goals include gathering server and application metrics, storing metrics in a time-series database and offering a dashboard for data visualisation.

Powering digitalisation for safe operations

At Sembcorp, we take measures to create a safe space for our employees and reduce unwanted incidents. The Personal Protective Equipment (PPE) detection system is a state-of-the-art AI-powered tool that can detect the lack of proper protective gear of employees and report on non-compliance.

Closed-circuit television (CCTV) cameras are placed cross the facility as well. These cameras raise alert and inform the security team for remedial action. It helps in reducing workplace dangers for our employees and place a greater emphasis on their safety.

Bio-metric access control system

We have completed the full implementation of a biometric access control system. To ensure authenticated and secure access of people into SEIL premises, we monitor time and attendance of all SEIL employees, contract workforce as well as visitors. We ensure 24-hour monitoring and a live head count dashboard of all workforce inside the factory.

With a single, centralised, and integrated database with server, our endeavour results in real time monitoring of personal visit patterns as well as system-based renewals and paper less gate pass processing.

Ensuring cyber security

As cyber attacks get more rampant, our efforts to ensure cyber security become more innovative.

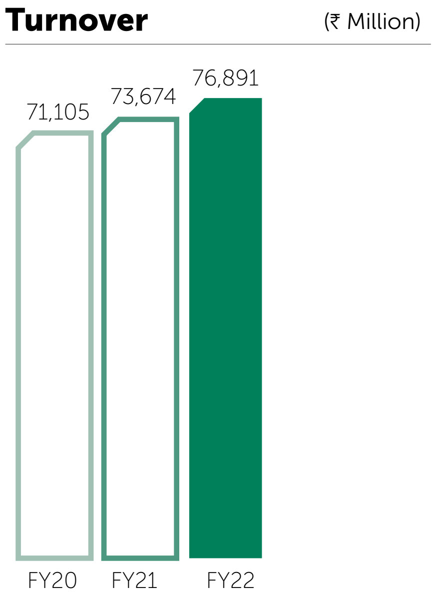
A Web Application Firewall (WAF), secures our website by filtering, monitoring, and preventing any hostile traffic and preventing any illegal data extraction.

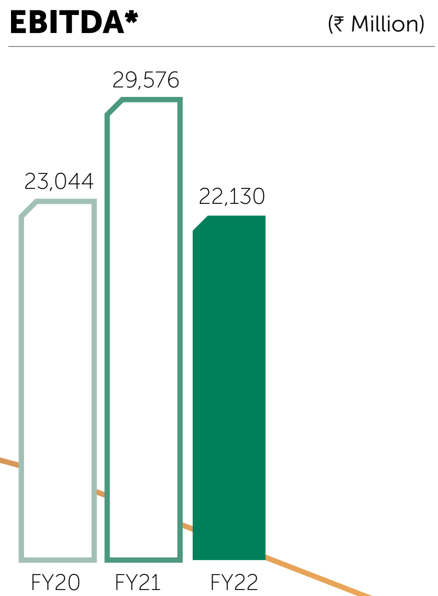
The WAF has aided in improving end-user experience by delivering content from a caching server. By defending the website against distributed denial of service (DDOS) assaults and giving visibility into the most recent threats, it has also increased website availability. In addition, it facilitates in achieving regulatory compliance.

Moreover, we regularly scan all servers for vulnerabilities as part of our Vulnerability Assessment process. We then identify the vulnerabilities and offer assistance on remedying them.

Financial indicators

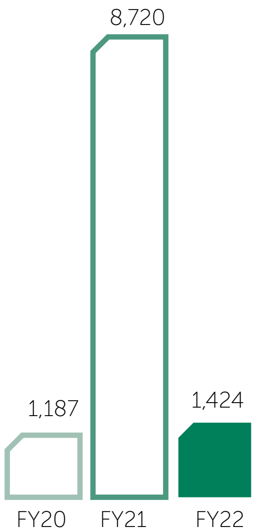
Delivering value through consistent performance





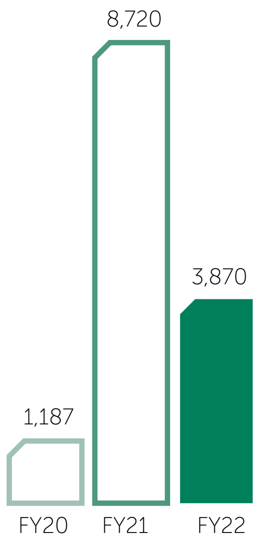
Net profit

(₹ Million)



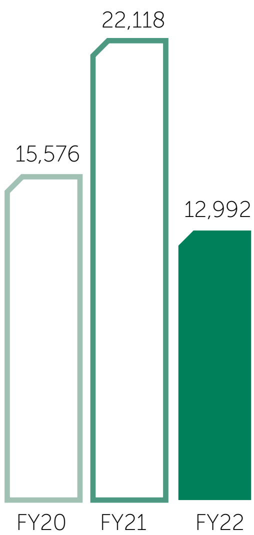
Net profit*

(₹ Million)



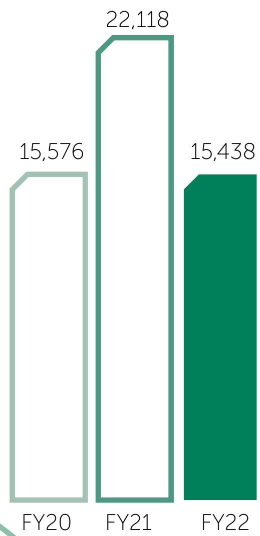
ROCE

(₹ Million)



ROCE*

(₹ Million)



*Before exceptional items

RESILIENTLY SHAPING A BETTER FUTURE

Our commitment towards sustainability is aligned to ESG priorities. We accelerate value creation by catering to the increasing demand for electricity in a reliable and sustainable way, which benefits the Company, the larger regional ecosystem and the community at large. Our rigorous and responsible business practices ensures compliance to high reporting standards within the organisation and continued engagement with our stakeholders.

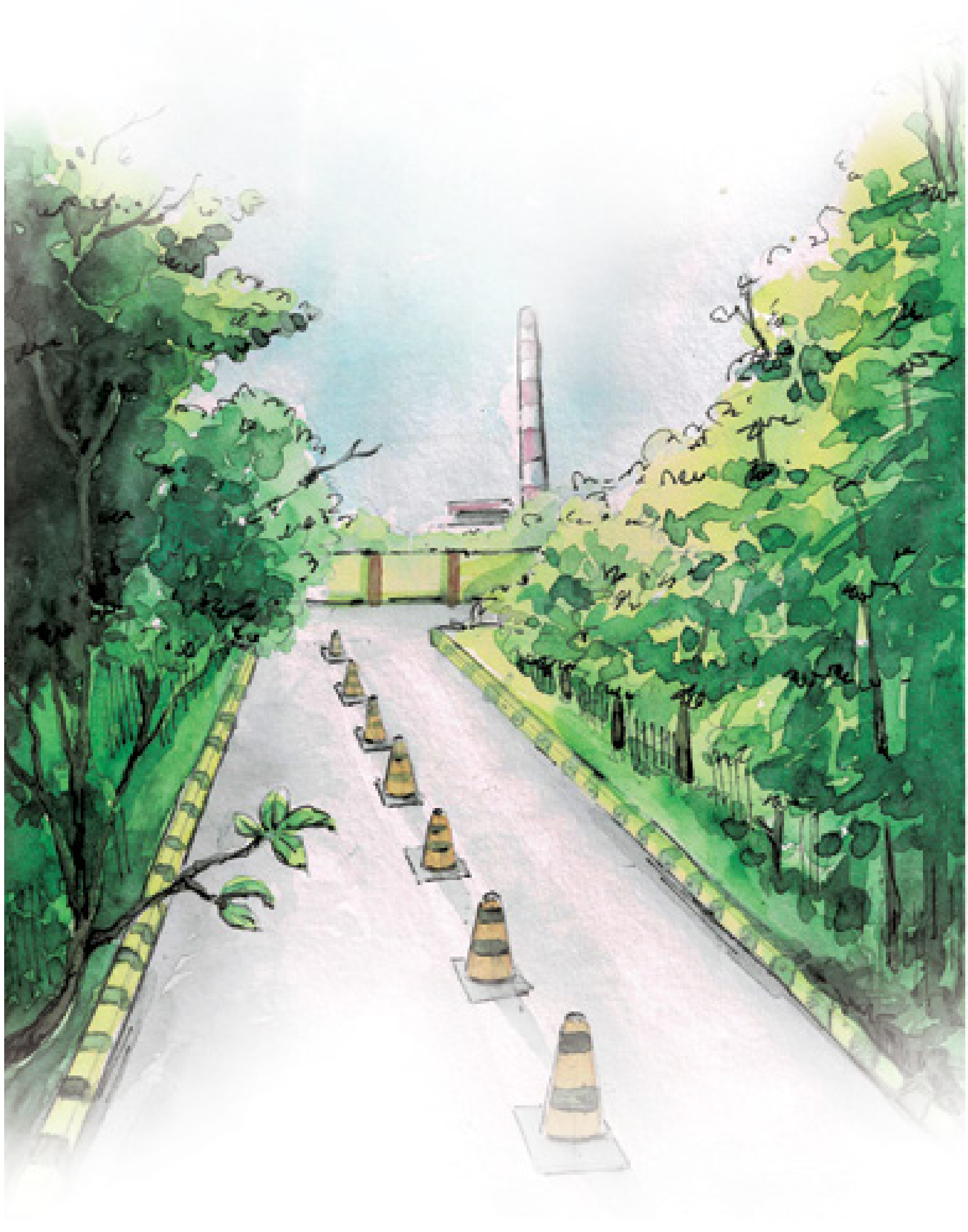
We consider it our responsibility to give back to society and promote prosperity and safety for everyone within our sphere of influence. We strive towards doing our bit in enabling a low-carbon and circular economy, seeking to empower our people and communities and maintaining an effective governance that embeds responsible business practices within the organisation. We also maintain transparency in all our ESG matters.

Through our constant efforts and strong work ethics, we hope to become a brand known for creating enduring value for stakeholders and fostering strong ties.

Environment

Being a better environment steward

Guided by the Sembcorp Group's principles, SEIL's management processes reflect our commitment to the environment and sustainability.



Decarbonisation goals

Building resilience

We are strengthening our business to build a sustainable future. We operate with an understanding of the potential environmental impacts of our business. This understanding guides our commitment to reduce the carbon intensity of our operations, improve energy efficiency, and promote natural resource conservation.

Enabling a low carbon economy

Sustainability is one of the key pillars of our business strategy that underpins our value creation. We aim to enable a low-carbon and circular economy, empower our people and communities, and embed responsible business practises throughout our organisation.

These ambitions, in turn, help us operate while being mindful of the United Nations' Sustainable Development Goals (SDGs). We have chosen SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action) as our priority SDGs, in line with our strategic focus as a provider of sustainable solutions.

We intend to make a significant contribution in these areas by implementing various environmentally friendly technologies, such as energy optimisation and decarbonisation projects. In line with this, our power plant assets, located on the east coast of southern India at Nellore, are designed for environmental sustainability. We have also initiated a project for providing rooftop solar power provision to 10 Anganwadi centres in the surrounding communities.

Our Thermal Power Plant Certifications

ISO 9001:2015
ISO 14001:2015

Emission Management

Our thermal power assets use supercritical power generation technology, which allows them to operate at lower emission levels than subcritical power plants. We carry out continuous monitoring of our emission levels and strive to reduce them across all levels of operation. Furthermore, we have industry-leading performance in terms of station heat rate and auxiliary consumption.

Phased journey for emission reduction

During the fiscal year under review, we evaluated all viable alternatives for environmentally sustainable technologies and implemented them in phases to reduce GHG emissions. We introduced an online performance tool (SPARK) for heat rate optimisation in Plant 1. We also have an Energy Management System (EMS) implementation under progress for auxiliary consumption optimisation in both of our plants.

Water management

We utilise sea water instead of ground water, which helps in saving valuable resources. In addition, we transport 100% of our coal via coastal and trans-ocean shipping, with last-mile connectivity provided by two closed-pipe coal conveyor belt systems. This ensures coal logistics safety, backup reliability, and environmental compliance.

The cooling system of our plant uses sea water from the Bay of Bengal, which is also the primary source of demineralised and service water for plant operation. After treatment, the system's wastewater is reused for green belt development.

Monitoring our water consumption

System-wise water consumption is monitored on a daily basis, with high-usage systems identified and analysed for further optimisation. We have identified a system-wide benchmark and kept track of consumption. Flowmeters are installed in the water intake and discharge lines to keep track of the amount of water used and discharged. Before being discharged to the sea, the water quality is monitored and controlled in accordance with Consent for Operation (CFO) standards. We monitor a variety of parameters, including pH, Total Suspended Solids (TSS), Oil and Grease, Biochemical Olxygen Demand (BOD), Chemical Oxygen Demand (COD), and inlet and outlet temperature.

Mitigating our water risk

We have formed a water monitoring group to conduct system-wide water audits on a regular basis in order to conserve water. The functioning of the seawater intake system is ensured by continuous flow monitoring and routine maintenance. Low sea water intake flow can affect plant operations, so we are reducing our water risk by inspecting the intake line on a regular basis and resolving any issues in a timely manner.

Decarbonisation goals (continued)

Managing waste

We are always looking for opportunities to recycle and reuse in order to minimise waste. When it comes to waste disposal, we either arrange for environmentally safe decontamination and disposal or transfer it to specialised companies. All the hazardous waste disposal is done through state government authorised vendors.

Green Cover Expansion

Taking steps to increase our green cover

We have been nurturing a dense green belt in and around our operations area by planting saplings. With three tiers of plantations, we have taken up peripheral planting along the inside of the compound wall. Along with this, we are also focused on developing green belt at nearby schools and communities.

1 Million+
Saplings planted till date

40
Different species planted

Project Harit

An afforestation and decarbonisation initiative

Part of our ongoing commitment towards sustainability and the environment, we have initiated an urban forestry initiative to increase the amount of greenery around our operations.

We have commenced an afforestation and decarbonisation effort at Sembcorp's supercritical power plant in Nellore to further enhance the air quality in neighbouring areas. In our initial attempt to advance this innovative green programme, we identified Seven areas where native avenue and fruit bearing plants saplings were planted.

16,400
Native saplings planted

40 acres
Of land covered

3,200 tons
Of decarbonisation value*

In addition to our ongoing plantation initiatives, which are influenced by the Miyawaki style of plantation, we have planted more than 10 lakh saplings both inside and outside the facility, ensuring sustainability around our operations.

Adopting scientific methods

For greenbelt development at SEIL, we have utilised scientific methods such as mist chambers, drip and sprinkler systems, vermin-compost production, and biopesticide application. We consider indigenous plant selections such as Conocarpus Erectus and Casuarina that are based on eco-suitability and sustainability as well as their environmental merits.

700+ acres
Afforested area at SEIL

Environment sustainability and decarbonisation

For environmental sustainability, we have planned plantations in government residential hostels, and phase one development is underway. This initiative aims to engage students and instil a sense of environmental responsibility in them.

Restore our planet

Tree plantation at Badshahpur forest corridor, Gurgaon

Sembcorp has joined hands to develop the Badshahpur Forest Corridor stretch #5 in partnership with the Municipal Corporation of Gurgaon (MCG) and the NGO "I am Gurgaon". These land patches were barren urban dump yards that have been transformed into a sustainable ecological forest corridor using waste dump materials. The corridor now serves for the general public to utilise it for walking, bike riding and leisure.

Environmental Consciousness

We conducted environmental legal requirements awareness sessions for our employees. We also commemorated World Environment Day to raise awareness among our associate partners and employees.

On special days such as World Water Day, International Day of Forests, World Earth Day, National Pollution Control Day among others, we published different mailers. We also held an environment mock drill on chemical spillage and response. We encourage our employees to adopt individual sustainability ideas through these measures.

Supporting Museo Camera's decarbonisation efforts

7 AFFORDABLE AND CLEAN ENERGY

In our endeavour to make our cities and their shared spaces greener, sustainable and liveable, we supported the artfully curated Museo Camera in reducing its carbon footprint and benefit from energy cost savings by using solar power. The museum encourages its visitors to trace the history of photography from the 1830s to the digital era, and Sembcorp has played a key role in making such beautiful, shared spaces in the city more sustainable.

The Museo Camera is home to a collection of 2,500 antique cameras from over 100 nations. The collection boasts of the oldest camera going back to the 1870s and the smallest camera on the planet, and the first flash equipment, among other stunning photography equipment. It is a non-profit crowdfunded Southeast Asian Centre for Photographic Arts with over 18,000 square feet dedicated to the art and history of photography. The Municipal Corporation of Gurugram and the India Photo Archive Foundation have partnered in this public-private venture.

The rooftop solar solution will save around 1,697 tonnes of CO_2 emissions over the solar system's lifetime, which is analogous to planting 2,716 teak trees.

The scenario

The museum demands a lot of electricity to run the facility's central air conditioning, lighting, and other operational needs due to its large art galleries, workshop and lecture halls, and a fully equipped darkroom.

Our rooftop solar solution

Sembcorp has always sought to make its community spaces more environmentally sustainable, hence, we installed a 60 KWp energy-efficient rooftop solar system at Gurugram's iconic landmark Museo Camera. Museo Camera will be able to run more sustainably with the addition of rooftop solar, saving approximately ₹0.66 million in annual energy costs. The rooftop solar solution will save around 1,697 tonnes of CO_2 emissions over the solar system' lifetime, which is analogous to planting 2,716 teak trees.

Social

Providing meaningful opportunities for all

We enable those who work for us, those we work with and those around us, to not only live better, but also realise their full potential and participate in holistic progress. We do good around us through technology and strive to make a difference. We draw inspiration from the UN Sustainable Development Goals (UN SDGs).

Our people

Enhancing our people's potential

A competent, highly motivated, and performance-led workforce is key to the success of our business.

Our people play a vital role in delivering on our strategy and goals. We rely on the commitment and dedication of our teams to deliver responsible and sustainable business outcomes.

Our framework for growth

We encourage people to achieve their full potential and remain relevant in an evolving environment. Our talent review and succession planning framework include tracking of human capital risk supported by succession planning for key roles across multiple levels. The Sembcorp Academy learning platform helps in equipping our talent pool with the knowledge they need for better functioning.

Our primary areas of concern

Employee **development**

Employee **engagement**

Compensation and benefits

Employee **wellness**

Employee development

Our focus remains on organisational structure improvements and initiatives to develop essential talent to guarantee productivity and to improve effectiveness in attaining business goals.

We have persisted in our efforts to ensure a robust pipeline of leadership and talent at all levels. We have also pursued initiatives to ensure a culture of learning in targeted development areas.

Employee engagement

Through numerous channels, such as dialogues, town hall meetings, video conferencing, newsletters, and email circulars, our leadership interacts with our employees. Targeted action plans are created to address areas of concern based on periodic employee surveys, and specific teams are assigned to execute these plans.

Employee wellness

To ensure employee well-being, we take a holistic approach to workplace health that includes our employees' physical, social, and psychological well-being. Employee-led committees that arrange a multitude of recreational and wellness activities complement our workplace wellness objectives. Additionally, we offer free yearly health screenings for all employees and mandated medical screenings for employees whose job may involve occupational health risks.

Health and safety

Fostering a culture of safety

Focus on sustainability

We are committed to protecting our employees' health and safety, responsibly managing our social impacts, and promoting diversity, equality, and inclusion throughout the Company.

The health, safety, and well-being of our employees, subcontractors, and other stakeholders is vital to SEIL.

We have made Health, Safety and Environment a core value of our Company.

Safety as a core value

We recognise that the frontline is always closer to hazards and, as a result, must be protected by providing necessary barriers. We believe it is critical to protect the health and safety of those involved in our operations, as well as to run an environmentally sustainable operation.

ISO-45001:2018
Certified

Employee-led safety

We understand the importance of employee wellness in terms of overall effectiveness. We take a holistic approach to workplace wellness, taking into account our employees' physical, social, and psychological well-being. Our workplace wellness programmes are backed up by the following:

- Mandatory medical exams for employees whose employment may expose them to occupational health dangers, as well as voluntary free annual health tests for all employees
- Employee-led committees that organise a variety of leisure and wellness events.

Promoting safe work environment

We are an equal opportunity employer, dedicated to fostering a healthy work environment where our employees can work without fear of discrimination, gender bias, or sexual harassment.

All employees have the right to be treated with dignity. Sexual harassment in the workplace or elsewhere involving employees is a serious offense that must be addressed. In compliance with the applicable regulations, we have created a policy to ensure that no employee is subjected to sexual harassment at work.

We have also set up an Internal Complaints Committee in accordance with Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redress) Act of 2013. During the year, no complaints were brought to the attention of the Committee.

Zero harm goal

SEIL has embraced 'Zero Harm' as its goal and is steadily marching in that direction. To improve our safety performance, we identify all hazards and risks and implement control measures to reduce risks to as low as reasonably practicable. We also analyse all learning events, take corrective action, share and implement what we have learned and focus on constantly improving our work practises.

Monitoring our safety practices

Through proactive HSE initiatives and interventions, we are committed to keeping our employees and associates safe. We report safety incidents, including near misses, and implement corrective and preventive actions within the time frame agreed upon.

One Lost Time Incident occurred in June 2021. We thoroughly investigated it and strengthened our processes. Our team conducted a root cause analysis, and all of the recommendations were implemented.

6.15 million
Accident-free person hours as on March 31, 2022

44,201
Training person-hours as on March 31, 2022

For fourth year in a row
100%
employees and associates trained

Implementing best HSE practices

We recognise that excellence in Health, Safety and Environment is an ongoing journey and remain committed to implementing best practices, complying with the national and international HSE standards.

During the year under review, our HSE policies have been strengthened and a new HSE tool was launched. The implementation of 5S methodologies at SEIL is in progress. We are also working on enforcing the Reward and Consequence Management System as a safety system over time.

Monthly safety drives

Every month, a safety theme is announced, and a member of the Management Committee is assigned to spearhead the campaign, while daily HSE mailers based on the theme are distributed to raise awareness. For increased awareness and reinforcement of safety, we also conduct a monthly safety video quiz for our employees.

We hold a Skip-Level Safety Townhall for our employees and associates, conducted by our management Heads, to encourage them to strive for next level safety. We conduct a fire rescue mock drill every month and an emergency mock drill was also conducted for cyclones and gas leakage cases.

Safety weeks

In January, we held a Road Safety Awareness Week, during which we ran awareness campaigns and provided defensive driving training to all of our associates and employees. We held a road safety quiz competition and awarded seven drivers.

From March 4 to March 10, 2022, we commemorated the 51st National Safety Week, and throughout the week, various promotional and awareness activities for employees and associates were held, with winners being announced at the end of the ceremony.

Awards and recognition

The BBS Corporate award 'For outstanding commitment of management to implementation of Behaviour Based Safety' was bestowed on SEIL for the fourth consecutive time from BESAFE Forum of India.

SEIL Occupational Health and Safety (OHS) efforts were recognised and was awarded the 'Corporate Award' for 'Sustained Performance in implementing Behavioural Based Safety' for the fourth year in a row.

CSR initiatives

Empowering communities for a sustainable future

We are committed to caring for our communities and operating sustainably at our supercritical power plants as a responsible independent power producer. We believe that our people drive us to play a role in creating a more sustainable future. Our community development initiatives are intended and implemented to have a positive impact on our communities, in addition to generating reliable power from our operations in Sri Potti Sriramulu Nellore District to light up 2.64 million households.

₹52.58 Million
CSR Budget

42,535
Total beneficiaries

Sustainability at the heart of our approach

At SEIL, we are working on a variety of community development projects to help people achieve more and contribute to their long-term progress, while also protecting the environment. We are constantly challenging ourselves to be at the forefront of providing reliable and sustainable power to meet the country's energy needs.

Some of our key embedded focus areas include resilience, innovation, and sustainability. By aligning all of our activities with the United Nations Sustainable Development Goals (UN SDGs), Sembcorp's CSR initiatives are gradually making a long-term difference.

Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

4 QUALITY EDUCATION

Preventing school dropouts

We provide conveyance to the government school students from our communities to prevent dropouts. We also provide assistance to students giving board examinations from our communities.

240
School children provided conveyance

2,313
Students were provided evening meals

Encouraging competitive spirit among students

We have organised essay writing, drawing and elocution competitions to engage students belonging to primary, lower secondary and upper secondary sections on preventing and controlling the spread of COVID-19 and the importance of vaccination.

6
Schools

1,350
Students Participated

1,350
Total books donated

33
Employee volunteers

4
Libraries and government schools to benefit

Book donation drive

As part of Sembcorp Gives Back Week 2021, our employees and their families enthusiastically participated in the book donation drive and donated books. Moreover, some story books were purchased which will be distributed to community libraries and government schools in Gurgaon and Nellore.

CSR initiatives (continued)

Empowering women

Achieve gender equality and empower all women and girls.

5 GENDER EQUALITY

Vocational education

Sembcorp has been launching various skill and entrepreneurship development programmes for rural women in order to empower them with skills and turn them into potential entrepreneurs. Over the years, we have provided vocational training to empower women in our local communities and we have established the SEDC centre in Nellore for imparting training. Tailoring, Maggam work, and beautician courses are a part of the ongoing training programmes. These enable community members, particularly women, to be self-sufficient and contribute to the area's overall skill and entrepreneurship development.

124
Women provided vocational training

Infrastructure Development

Build resilient infrastructure, promote sustainable industrialisation and foster innovation.

To support our communities, Sembcorp had undertaken the project to build 1 BHK houses for the villagers of Isakadaravu and Katepalli. The houses were handed over to the beneficiaries through the district collector in March, 2022. These houses were supported with the necessary infrastructure including drainage, streets and lanes, electrical supply lines, overhead tank, Reverse Osmosis (RO) plant for drinking water and avenue plantation.

2
Villages covered

50 KL
Overhead tank capacity

1,000 litres
Combined capacity of RO plants

3,039
Families benefitted

In addition, we plan to completely renovate and maintain nine RO water plants to ensure that our communities have access to safe drinking water at all times.

CSR initiatives (continued)

Healthcare

Ensure healthy lives and promote well-being for all at all ages.

3 GOOD HEALTH AND WELL-BEING

Public awareness campaign on COVID-19 and Vaccination - Let's #DoOurPart

Since 2021, we launched our month-long campaign, Let's #DoOurPart, with the goal of raising awareness about the importance of COVID-19 vaccination and encouraging COVID-19 appropriate behaviour. The goal of the campaign is to encourage people to do their part during these trying times by raising awareness and addressing the concerns that many people have about vaccination. We also worked with radio stations and local television stations to air public service announcements in Delhi NCR and Nellore.

COVID-19 support

We cater to the healthcare needs of Covid patients by providing them with oxygen concentrators across the communities surrounding our operations in collaboration with KVN Foundation as a programme partner. During the second wave, we also provided medical assistance to patients and distributed Covid-19 medicine kits to Covid patients through Government Health Centres.

432
Oxygen Concentrators Supplied till date

4,359
Families benefitted through community sanitation drives till date

2,600
Medicine kits distributed

Engaging in prevention, awareness, and sanitisation campaigns

We conducted community-wide awareness campaigns to emphasise social distancing, the need to wear masks, and maintaining good hygiene practices as preventive measures. These messages were communicated through awareness-raising activities such as posting posters in prominent locations throughout the villages. To keep the pandemic from spreading further, we organised sanitisation drives in the villages. During Sembcorp Gives Back Week, we organised a social media campaign to raise awareness about Covid vaccination support as well as competitions on Covid vaccination were held in six schools.

Sanitation is a major issue in rural India, and it is the root cause of many deadly diseases. In order to ensure sanitation for the people living in the area, we conduct disinfectant spraying exercises in the villages near our site. This will help to mitigate the risk of childhood disease and impact their overall development.

25
Villages covered

6,240
Patients availed MMU services

Vision Screening

One of the major public health concerns in developing countries, particularly India, is avoiding preventable blindness. If an eye problem is detected early enough, the proper treatment can be recommended and administered to prevent permanent vision loss. To help meet this challenge, we have a project in progress partnered with a reputed eye Institute where eye screening of 10,000 community members is planned.

Mobile Medical Unit (MMU) services

Our MMU service provides women, children, the elderly, and those with disabilities access to primary healthcare services. We facilitate access by identifying medical needs and setting up health screening camps in remote villages and panchayats

Mrs. Vajramma,
Female, 68

The patient had visited the MMU with the complaints of having dizziness, headache, and knee pain. She had been experiencing these symptoms for the past four months. When inquired about her symptoms she conveyed that she used to take medication for hypertension but in the recent past she could not continue her medication due to financial crisis at her household.

She was given medicine to treat her condition and encouraged to consume less salt and maintain a healthy diet. She had been advised to visit the MMU for follow-up check-ups on a weekly basis.

She expressed her gratitude for the much-needed service provided at her doorstep by Sembcorp which has not only benefitted her, but the entire community at large.

Mr. Serhaiah,
Male, 70

The patient had been suffering from hypertension for the last 20 years. Because the district hospital from his village is situated far away, he has been regularly visiting the MMU for free of cost health check-ups. He was prescribed medication and was advised to reduce salt intake in diet. During his follow-up visit, his blood pressure was observed to be in control. The patient could not travel far for medications and hence was grateful for the MMU service made available at his doorstep.

Governance

Maintaining transparency in conducting business

At Sembcorp Energy India Limited, we have designed our corporate governance structure to best support our business, ensure full compliance with laws and regulations and meet the needs of our stakeholders. A strong independent and diverse Board ensures the deployment of effective governance in the Company. Independent directors act as a guide to the Company and play an active role in various committees set up by the Company to ensure good governance.

Governance

Corporate Governance

Sembcorp Energy India Limited remains resolute in its commitment to conduct business in accordance with the highest ethical standards and sound corporate governance practices to retain investor trust and preserve the interest of all existing as well as prospective stakeholders. Further, our corporate structure, business, operations, and disclosure practices are aligned to global practices.

We are committed to conduct our business fairly, ethically in compliance with the applicable laws, rules and regulations and with the highest standards of business ethics. The objective of the Company is, not only to meet the statutory requirements of the Code of Corporate Governance, but to develop such systems and follow such practices and procedures as would make the management completely transparent and accountable in its interaction with employees, shareholders, lending institutions and customers, thereby enhancing the stakeholders value and protecting the interest of stakeholders.

Managing risks with sound mitigating strategies

Comprehensive risk management framework and its effective implementation reinforce the long-term sustainability of the Company. Managing risk is an integral part of our business activity and the Board of Directors and the management are fully committed to maintaining sound risk management systems for safeguarding the Company and its stakeholders' interests. The Board and senior management of the Company set the tone at the top for proactive and transparent identification and management of risks. They encourage both business managers and risk managers to bring out risks inherent to the business activity.

The Board has overall responsibility for the governance of the Company's risk management. The Board approves the Company's risk policies, and oversees management in the design, implementation and monitoring of risk management systems.

The Audit Committee (AC) assists the board in overseeing risk management for the Company. The AC reviews and endorses the Company's policies, guidelines, and systems to govern the process for assessing and managing risk, and also review risk-related reports submitted to it by the management. These include updates on the Company's key risks, emerging threats, reports on compliance with risk policies and any other risk-related issues as well as actions taken to monitor and manage such risk exposure / issues.

The Company has a Risk department led by Chief Risk Officer (CRO) to assist the AC and management in risk management function. Business and functional managers are responsible for managing risks in their area of operation/ function as the first line of defence. Towards this end, business/functional managers are identified as risk owner for the identified risks.

Code of conduct and ethics training

All our employees and governance body members follow and confirm to the Company's Code of Conduct and Ethics. Periodic training of employees is conducted for updating their awareness and compliance to the requirement of company Code of Conduct and Ethics.

Board diversity

29% Women on Board

86% Non-Executive Directors

43% Independent Directors

The Company's policy is to have appropriate mix of Executive and Non-Executive/ Independent Directors including women Directors on the Board. The number of Non-Executive Directors (NEDs) exceeds 50% of the total number of Directors.

As on March 31, 2022, the Company's Board of Directors consists of seven members, with one Executive Director and six Non-Executive Directors (NEDs). Two NEDs are women.

The Board comprises members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensuring that the Company complies with the highest standards of corporate governance.

Anti-corruption and bribery policy

We exercise zero tolerance towards all forms of bribery and corruption and are committed to conduct business with integrity and with the highest ethical standards and adopted anti-bribery and corruption policy on the same.

The anti-bribery and corruption policy prohibits all forms of bribery including the offering, promising, authorising, providing or receiving anything of a value to/from any customer, business partner, vendor government official or government entities or other third party in order to induce or reward the improper benefit or performance of an activity connected with a business.

This policy applies to all including, the Board of Directors, employees, contract workers, persons or counterparties acting or working on behalf of the Company.

Whistle-blowing policy

Our Whistle-blowing policy provides a reliable avenue for persons to report any wrongdoings including suspected violation of our Code of Business Conduct or any applicable law or policy without fear of reprisals and ensures that arrangements are in place to facilitate independent investigation of the reported concern and for appropriate follow-up actions to be taken.

The effective implementation of this Whistle-blowing policy is overseen by the AC. The AC is assisted by the Investigation Owner(s), the Whistle Blowing Committee and Internal Audit when investigating a reported issue and taking follow-up action.

Directors' Report

To
The Members
SEMBCORP ENERGY INDIA LIMITED (SEIL)

Your directors take pleasure in presenting the Fourteenth Annual Report together with Audited Financial Statements of your Company for the year ended March 31, 2022.

FINANCIAL RESULTS

(₹ in Millions)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	76,891	73,674	76,891	73,674
Other Income	1,422	4,108	1,422	4,108
Total Revenue	**78,313**	**77,782**	**78,313**	**77,782**
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	**22,130**	**29,576**	**22,130**	**29,576**
Less: Depreciation/ Amortisation/ Impairment	6,692	7,458	6,692	7,458
Profit /loss before Finance Costs, Exceptional items and Tax Expense	**15,438**	**22,118**	**15,438**	**22,118**
Less: Finance Costs	10,893	13,398	10,893	13,398
Profit /loss before Exceptional items and Tax Expense	**4,545**	**8,720**	**4,545**	**8,720**
Add/(less): Exceptional items	**2,466**	**-**	**-**	**-**
Profit /loss before Tax (from Continuing Operation)	**2,099**	**8,720**	**4,545**	**8,720**
Less: Tax Expense (Current & Deferred)	675	-	**675**	
Profit /loss for the year	**1,424**	**8,720**	**3,870**	**8,720**
Discontinued Operation				
Profit/(loss) from discontinued operation before tax	-	-	2,735	(345)
Gain on disposal of discontinued operation	-	-	21,380	-
Tax expense of discontinued operation	-	-	637	(62)
Profit/Loss from discontinued operation	**-**	**-**	**23,477**	**(283)**
Profit/Loss for the year	**1,424**	**8,720**	**27,347**	**8,437**
Other Comprehensive Income/loss	**142**	**555**	**146**	**553**
Total Comprehensive Income/loss	**1,566**	**9,275**	**27,493**	**8,900**
Less: Transfer to Reserves	Nil	Nil	Nil	Nil
Less: Dividend paid on Equity Shares	Nil	Nil	Nil	Nil
Less: Dividend Distribution Tax	Nil	Nil	Nil	Nil

FINANCIAL PERFORMANCE AND THE STATE OF THE COMPANY'S AFFAIRS

Total revenue of the Company on Standalone and Consolidated basis during the financial year 2021-22 increased to ₹ 78,313 million against ₹ 77,782 million in the previous year. The Standalone Profit after Tax (PAT) for the financial year 2021-22 is ₹ 1,424 million against ₹ 8,720 million in the previous year.

Our Business

Your Company is a leading independent power producer ("IPP") in India, led by a strong management team with extensive experience and a successful track record of developing and operating power generation assets in thermal power sectors in India.

Your Company owns and operates two fully operational thermal power assets, consisting of four 660 MW super critical coal-fired units, with a total power generation capacity of 2,640 MW located in the State of Andhra Pradesh, India.

Your Company sells power generated from its operational assets under a combination of long-term, medium term and short-term power purchase agreements ("PPAs") to Central Government Agencies, State-Owned distribution companies ('**DISCOMs**'), private customers, as well as on the spot market.

The Company did not change its nature of business during the financial year 2021-22.

Dividend

Your directors do not recommend any dividend for the financial year 2021-22.

Capital Structure of the Company

The issued, subscribed, and paid-up equity share capital of the Company is ₹ 54,336.69 million divided into 5,433,668,574 equity shares of ₹ 10/- each. There were no changes in the Capital structure of the Company during the financial year 2021-22.

Transfer to Reserves

During the financial year under review, no amount has been transferred to any reserves of the Company.

Holding Company

The Company is a subsidiary of Sembcorp Utilities Pte. Ltd ('SCU'), Singapore.

Subsidiaries / Joint Ventures/ Associates

TPCIL Singapore Pte Ltd was only subsidiary of the Company as at March 31, 2022. Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013, a statement containing salient features of the Financial Statements and highlights of performance of subsidiary is attached as **Annexure – 3** to the Directors' Report of the Company in Form AOC -1. TPCIL Singapore Pte Ltd did not do any business activity during the financial year.

During the financial year 2021-22:

- The Company has sold its investments in Sembcorp Green Infra Limited (SGIL) to its holding company Sembcorp Utilities Pte Ltd (SCU) for a consideration of ₹ 52,321.20 million and recognised a loss on sale of investment of ₹ 2,446.02 million. Accordingly, SGIL ceased to be a subsidiary of the company with effect from December 22, 2021.

- One of the Subsidiary Company, Green Infra Clean Wind Energy Limited, has been struck off by the Registrar of Companies w.e.f August 4, 2021 and the said Company stands dissolved.

- The following Companies became subsidiary of SEIL

  1. Green Infra Solar Power Projects Limited (w.e.f December 8, 2021

  2. Green Infra Solar Generation Limited (w.e.f December 13, 2021)

- The following Companies ceased to be Subsidiaries of your Company w.e.f December 22, 2021

  1. Sembcorp Green Infra Limited ('SGIL')
  2. Green Infra Wind Ventures Limited ("GIWVL")
  3. Green Infra Corporate Wind Limited ("GICWL")
  4. Green Infra Wind Energy Assets Limited ("GIWEAL")
  5. Green Infra Wind Energy Project Limited ("GIWEPL")
  6. Green Infra Wind Farm Assets Limited ("GIWFAL")
  7. Green Infra Wind Power Limited ("GIWPL")
  8. Green Infra Wind Generation Limited ("GIWGL")
  9. Green Infra Wind Power Generation Limited ("GIWPGL")
  10. Green Infra BTV Limited ("GIBTVL")
  11. Green Infra Wind Power Theni Limited ("GIWPTL")
  12. Green Infra Wind Energy Theni Limited ("GIWETL")
  13. Green Infra Wind Assets Limited ("GIWAL")
  14. Green Infra Wind Energy Limited ("GIWEL")
  15. Green Infra Wind Power Projects Limited ("GIWPPL")
  16. Green Infra Wind Farms Limited ("GIWFL")
  17. Green Infra Corporate Solar Limited ("GICSL")
  18. Green Infra Wind Limited ("GIWL")
  19. Green Infra Wind Solutions Limited ("GIWSL")
  20. Green Infra Wind Technology Limited ("GIWTL")
  21. Green Infra Solar Energy Limited ("GISEL")
  22. Green Infra Solar Farms Limited ("GISFL")
  23. Green Infra Solar Projects Limited ("GISPL")
  24. Mulanur Renewable Energy Limited ("MREL")
  25. Green Infra Renewable Energy Limited ("GIREL
  26. Green Infra Renewable Projects Limited ("GIRPL")
  27. Green Infra Solar Power Projects Limited ("GISPL")
  28. Green Infra Solar Generation Limited ("GISGL")

Your Company do not have investment in any Associate / Joint Venture Company as on March 31, 2022.

INTERNAL FINANCIAL CONTROLS

The 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 applicable accounting principles. The company's Internal Financial controls with reference to Financial Statements include those policies and procedures that:

i. pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii. 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 in accordance with authorisations of management and directors of the company; and

iii. 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.

Audit Committee periodically reviews the adequacy of Internal Financial controls. During the year, such controls were tested, and no reportable material weaknesses were observed from those controls.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is appended in Form AOC-2 as **Annexure -1** to this Report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s Price Waterhouse Chartered Accountants LLP (Firm Registration Number: 012754N/N500016) were appointed as the Statutory Auditors of the Company to hold office for five consecutive years starting from the conclusion of the thirteenth Annual General Meeting (AGM) held on July 01, 2021 until the conclusion of the eighteenth AGM of the Company to be held during the year 2026.

The Auditor's Reports on the Standalone and the Consolidated Financial Statements for the financial year ended March 31, 2022, does not contain any qualification, reservation or adverse remark requiring any explanations / comments by the Board of Directors.

Cost Auditor

M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad was appointed as the Cost Auditor of your Company for Financial year 2021-22 in accordance with the requirement of provisions of Section 148 of the Companies Act, 2013.

The Company has duly maintained Cost Records required under Section 148 (1) of the Act, in compliance with the cost auditing standards in accordance with the Companies (Cost Records and Audit) Rules, 2014.

The Cost Auditor's Reports on the Cost Statements for the financial year ended March 31, 2022, does not contain any qualification, reservation or adverse remark requiring any explanations / comments by the Board of Directors. The Cost Auditor's report on Cost Records and Statements will be submitted to the statutory authorities in the prescribed form on or before the due date.

As recommended by the Audit Committee, your Board has re-appointed M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad as Cost Auditors of the Company for the financial year 2022-23 and your Board seek your approval for ratification of the remuneration proposed to be paid to the Cost Auditors.

Secretarial Auditor

The Board of Directors of the Company have appointed M/s BS & Company, Company Secretaries LLP, as the Secretarial Auditor of the Company to conduct a Secretarial Audit of records and documents of the Company for the financial year 2021-22.

Secretarial Audit Report for the financial year 2021-22 dated July 07, 2022 is annexed to the Directors' Report as **Annexure- 2.**

The Audit Report does not contain any qualification, reservation or adverse comments requiring reply/ explanation by the Board of Directors.

Reporting of Frauds by the Auditors

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees of the Company or otherwise under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

DIRECTORS AND KEY MANAGEMENT PERSONNEL

Directors retire by rotation

Ms. Looi Lee Hwa retires by rotation as Director at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Brief details of the Director proposed to be re-appointed is provided in the explanatory statement, attached to the Notice of the Annual General Meeting.

Changes in the Directors

During the year, there was no change in the Directors of the Company.

Independent Directors

In terms of Section 149 of the Act, Mr. Radhey Shyam Sharma, Ms. Sangeeta Talwar and Mr. Kalaikuruchi Jairaj are the Independent Directors of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. During the year, no new Independent Director was appointed on the Board of the Company.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for attending meetings of the Company.

Key Managerial Personnel (KMP)

The following persons have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- Mr. Vipul Tuli, Managing Director
- Mr. Juvenil Jani, Chief Financial Officer
- Mr. Narendra Ande, Company Secretary

Policy on Directors' Appointment and Remuneration

In terms of the provisions of Section 178(3) of the Act, the Nomination and Remuneration Committee is responsible for formulating the criteria for determining qualification, positive attributes, and independence of a Director. The Nomination and

Remuneration Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel, and other employees. In line with this requirement, the Committee reviews and if deemed fit, recommends the appointments/ remunerations of the Board Members, Key Managerial Personnel, and senior managerial personnel of the company from time to time.

The Board has adopted the Policy on Nomination, Remuneration and Board Diversity. The policy has been disclosed on the website of the Company as per the linked given https://www.sembcorpenergyindia.com/InvestorRelations/CodeEthics

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

The Company, being an infrastructure company, is exempt from the provisions as applicable to loans, guarantees and Investments under Section 186 of the Act. However, the Company has not extended any loans or guarantees in favour of subsidiary Company. The details of investments have been provided in the notes to the financial statements.

PUBLIC DEPOSITS

During the year, the Company has not accepted any deposits from the public as defined under the Companies Act, 2013 read with the Companies (Acceptance of Deposit Rules), 2014, and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

BOARD AND ITS COMMITTEES

Board Meetings

During the financial year ended March 31, 2022, 7 (seven) meetings of the Board of Directors were held on May 24, 2021, June 28, 2021, August 11, 2021, November 08, 2021, November 29, 2021, February 16, 2022 and March 16, 2022.

COMMITTEES:

Audit Committee

The Audit Committee of the Company consists of four Directors with Mr. R. S. Sharma, Chairman and Mr. K. Jairaj, Ms. Sangeeta Talwar and Mr. Eugene Cheng as its other members. Majority of the members of the Committee are Independent Directors and possess accounting and financial management knowledge. The Company Secretary of the Company is the Secretary of the Committee. Details of the meeting held during the year are given in the Corporate Governance report.

All the recommendations of the Audit Committee were accepted by the Board during the financial year ended March 31, 2022.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company consists of three Directors with Ms. Sangeeta Talwar, Chairperson, Mr. R. S. Sharma and Mr. K. Jairaj as its other members. Details of the meeting held during the year are given in the Corporate Governance report.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Company consists of four Directors with Independent Director as Chairman. The members of the CSR Committee include Mr. K. Jairaj, Ms. Sangeeta Talwar, Mr. R. S. Sharma and Mr. Vipul Tuli. Details of the meeting held during the year are given in the Corporate Governance report.

Annual Evaluation of Board Performance and Performance of its Committees and Individual Directors

Annual Performance Evaluation of the Board, Board Committees and Individual Directors for the financial year 2021-22 has been carried out by third party independent consultant, through online survey mechanism pursuant to the provisions of the Companies Act, 2013 and the report has been submitted to Chairperson of Nomination and Remuneration Committee (NRC). The Chairperson of the NRC updated the NRC members on the evaluation report during their meeting held on March 08, 2022 and also given an update to the Board Chairman.

Directors Responsibility Statement

Pursuant to Section 135(5) of the Companies Act, 2013 and to the best of their knowledge and information provided, your Directors confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation to material departures;

b) 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 at the end of the financial year and of the profit / loss of the Company for that period.

c) The Directors had taken proper and sufficient care for the 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;

d) The Directors had prepared the annual accounts on a going concern basis; and

e) The Directors had devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively

Compliance with Secretarial Standards (SS)

During the financial year, the Company has complied with the applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

SAFETY, OCCUPATIONAL HEALTH AND ENVIRONMENT

Your Company acknowledges that Health, Safety & Wellbeing of its employees, associates and all stakeholders is vital to any company and made it as the of the Core Values of the Company.

Your Company is aware that frontline is always nearer to Hazards and needs protection by ensuring that enough barriers are in place and their integrity is maintained. Further, your Company believes that it is critical to protect the health and safety of those involved in its operations and to run its operations in sustainable manner and environment friendly manner. Your Company is focused to keep its employees and associates safe through proactive HSE interventions and initiatives. To strengthen our safety performance, your Company ensured that all hazards and risks are identified, control measures are implemented to reduce risks, analyse all learning events, learn from such incidents and also from Peer Industries and to take corrective actions & constantly focus on improvement of work practices.

Despite the fact that your company has a strong focus on safety, one Lost Time Incident happened during June, 2021. Root cause analysis of the incident was done, corrective steps have been taken to further strengthen our processes.

Your company during the year has achieved 6.15 million safe man-hours, conducted 44,201 man hours of training. For a consecutive 4th year, training covered 100% employees.

During the year 2021-22 following Occupational Health & Safety initiatives implemented:

- Monthly Safety Theme is declared, and Senior Management Member helps drive the campaign related to Monthly Safety Theme. Daily HSE mailer is sent on monthly safety theme for greater awareness to employees and for reinforcement of safety culture and practices.
- Skip Level Safety Townhall meetings are conducted for the Employees and Associates by BU Head and Plant Head for Zero Harm.
- Emergency Mock Drill were conducted for Cyclone and Gas Leakage Scenario and regular Fire Rescue Mock drills are conducted every month.
- Survey on Psychological Safety of the employees and associates was also conducted during the year.
- Monthly HSE Video Quiz is conducted for learning.
- A mobile based tool was launched for HSE Management, HSE Policies have been strengthened, and 4 audio visual display boards have been placed for providing important information and updates related to HSE
- Safely Team facilitated Annual and Capital Overhauls.
- Road Safety Awareness Week was observed during Jan 2022, conducted awareness campaigns, provided road and defensive driving trainings to employees and associates.
- National Safety Week was celebrated from during March 2022.
- SEIL Has won "BBS Corporate award" 'For outstanding commitment of management to implementation of Behaviour Based Safety' for 4th consecutive year from BESAFE Forum of India.
- 5S Initiatives is in progress for 2022
- RRCP implemented for all critical activities and periodic Wellness programmes conducted.
- All statutory and regulatory compliances are ensured.

Your Company recognizes that excellence in Health, Safety and Environment is an ongoing journey and remain committed to implementing best practices, complying with the national and international HSE standards.

Environment and Sustainability

The management processes, including its commitment to the environment and promoting sustainability, reflecting the robust governance practices of the Sembcorp Group. Your Company's operations are guided by the Sembcorp principles for impactful outcomes, which include shared responsibility, continual improvement, openness, accountability, and statutory compliance.

Your Company thermal power assets located on the east coast of southern India at Nellore and are designed environment friendly and sustainability model. These assets are based on supercritical power generation technology, which makes them operate at lower emission levels compared to subcritical power plants. The plants uses sea water, which eliminates the need to use precious ground water or river water. Moreover, your Company's coal is transported through coastal and trans-ocean shipping, and last-mile connectivity through the two closed-pipe coal conveyor belt systems. This assures safety, reliability of coal logistics and protecting the environment. The assets are actively monitored for emissions as per the guidelines set by the MoEF & CC, CPCB, & APPCB.

For green cover your company planted more than 1,00,000 tree saplings of 40 different species and developing a dense green belt area in and around its plant operations. The Conocarpus Erectus and Casurina plant selections are based on eco-friendly, suitability and sustainability with environmental merits based on local land needs.

The Consent for Operation [CFO] for both SEIL P-1 & P-2 has been renewed for next 5 years i.e., up to 2026 & 2027 respectively.

During the year following measures were taken for promoting environment:

- The plants are maintained for getting best optimised industry performance relating to Stations Heat Rate and Auxiliary Consumption.
- Your company also taken steps for developing Green Belt at nearby Schools, Communities and encouraging employees to adopt Individual Sustainability ideas.
- We have adopted scientific methods like establishment of mist chamber, drip & sprinkler system, vermin-compost production & application of biopesticides for greenbelt development. Peripheral planting along inside of the compound wall has been taken-up with 3 tiers of plantations and have developed 450 acres at SEIL P1 and 350 acres at SEIL P2 afforestation.
- All the Hazardous waste disposal being done to APPCB authorized vendors through APEMC web portal.
- Awareness sessions conducted on Environment Legal Requirements and on World Environment Day to the employees and associate partners
- Conducted Environment Mock Drill on Chemical Spillage & for timely Response.

Certifications

Our Company's Thermal Power Plant has been certified to be in compliance with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 standards, Approval number(s): ISO 9001 – 0053756, ISO 14001 – 0053755, ISO 45001 – 0053757 dated 17th December 2020 issued by Lloyd's Register Quality Assurance. Valid up to 17th April 2023.

GOVERNANCE

Corporate Governance Report

Corporate Governance is the application of best management practices, continued compliances of law and adherence to highest ethical standards to achieve the objectives of the Company of enhancing stakeholder's value and its own image. A good Corporate Governance framework incorporates a system of robust checks and balances between Key players, namely the Board, the Management, Auditors and Stakeholders.

Sembcorp Energy India Limited remains resolute in its commitment to conduct business in accordance with the highest ethical standards and sound Corporate Governance practices. Your Company strongly believes that sound, robust and unambiguous system of Corporate Governance practices go a long way in retaining investor trust and preserving the interest of all existing as well as prospective Stakeholders. Further, your Company corporate structure, business, operations, and disclosure practices are aligned to the global practices

Your Company is committed to conduct its business fairly, ethically in compliance of the applicable laws, rules and regulations and with the highest standards of business ethics. The objective of the Company is, not only to meet the statutory requirements of the Code of Corporate Governance, but to develop such systems and follow such practices and procedures as would make the management completely transparent and accountable in its interaction with employees, shareholders, lending institutions and customers, thereby enhancing the stakeholders value and protecting the interest of stakeholders

A detailed Corporate Governance Report is attached to this report separately as **Annexure 4**.

Whistle Blower Policy

The Whistle blower Policy provides a reliable avenue for persons to report any wrongdoings including suspected violation of the Company's Code of Business Conduct or any applicable law or policy without fear of reprisals when whistleblowing in good faith and ensures that arrangements are in place to facilitate independent investigation of the reported concern and for appropriate follow up actions to be taken.

The effective implementation of this Whistleblowing Policy is overseen by the Audit Committee. The Audit Committee is assisted by the Investigation Owner(s), the Whistleblowing Committee and Internal Audit when investigating a reported issue and taking follow up action.

The Whistleblowing Policy applies to all persons, including Employees (i.e. the Board of Directors, officers, full-time/ part-time/ permanent/ contract employees) working for your Company and is available on the website of the company at https://www.sembcorpenergyindia.com/InvestorRelations/CodeEthics

Prevention of sexual harassment of women at the workplace

Your Company believes in equal employment opportunity and is committed to creating a healthy working environment that enables employees to work without fear or prejudice, gender bias and sexual harassment. The Company also believes that all employees of the Company, have the right to be treated with dignity. Sexual harassment at the workplace or other than workplace if involving employees is a grave offence and is, therefore, punishable. The Company has implemented a policy to ensure that no employee is subjected to sexual harassment at the workplace in accordance with the applicable laws.

The Company has constituted an Internal Complaints Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said Committee.

Risk Management

Comprehensive Risk Management framework and its effective implementation reinforce the long-term sustainability of the Company. Managing Risk is an integral part of our business activity and your board of Directors and management are fully committed to maintaining sound risk management systems for safeguarding the Company and its stakeholders' interests. The board and senior management of the Company set the tone at the top for proactive and transparent identification and management of risks. They encourage both business managers and risk managers to bring out risks inherent to the business activity.

Risk Management Framework

The Company has implemented a comprehensive enterprise risk management framework where key risks are identified and deliberated by management with the support of the risk management function and reported regularly to the Audit Committee of the Board. Robust mechanisms and systems have been put in place to identify and manage the inherent risks in our business and strategy, and to monitor the Company's risk exposure that could impact the overall business sustainability. The purpose of this framework is to identify risks in advance that have the potential impact on the Company's business or corporate standing or growth and manage them by calibrated action.

The Company has implemented an Integrated Assurance Framework (IAF) to put greater emphasis on the three lines of defence model while managing risk. Under the IAF structure, the three lines of defence work together to ensure that key strategic, financial, operational, compliance and information technology risks are reviewed and tested using a robust assurance process. Climate change has been identified as a key risk and being regularly monitored. Under the IAF structure Risk and Control Register have been developed to document identification, analysis, and management of risks. The Risk and Control Register documents the risks, risk drivers, controls, mitigation, likelihood, consequences, risk rating, and identify the key risks of the Company along with mitigation measures. They are presented to the Audit Committee of the Board for their review and guidance.

The risk management framework is supported by various supporting policies and procedures like Risk Management Policy, Code of Conduct, Business Continuity Plan, Crisis Management Framework etc., that provide detailed guidelines for management of the major risks. The Company is closely monitoring the current surge and volatility in prices of energy commodities. A comprehensive Risk Management Policy is in place to manage exposure to market risks like imported coal price and foreign exchange rate volatility. Adherence to polices is regularly monitored and any breach is timely notified to the higher management for taking appropriate measures.

Risk Management Governance Structure

The Board has overall responsibility for the governance of the Company's risk management. The board approves the company's risk policies, and oversees management in the design, implementation and monitoring of risk management systems.

The Audit Committee (AC) assists the board in overseeing risk management for the Company. AC reviews and endorses the Company's policies, guidelines, and systems to govern the process for assessing and managing risk. AC also review risk-related reports submitted to it by management. These include updates on the Company's key risks, emerging threats, reports on compliance with risk policies and any other risk-related issues as well as actions taken to monitor and manage such risk exposure / issues. It also has the authority to approves any deviation to risk management policies or any breach of risk limits.

The Company has a Risk department led by Chief Risk Officer (CRO) to assist the Audit Committee and management in risk management function. Business and functional managers are responsible for managing risks in their area of operation/function as the first line of defence. Towards this end, business/functional managers are identified as risk owner for the identified risks.

Business Continuity Management amid Covid-19 Flue Pandemic

The Company has activated India Business Continuity Management Team (India BCMT) as per Business Continuity Policy and Crisis Management Framework to manage the impact of ongoing Covid-19 flue pandemic. Different measures are in place to safeguard health and safety of employees, maintain operation of assets and other business activities.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is a Company's commitment to its stakeholders to conduct business in an economically, socially, and environmentally sustainable manner that is transparent and ethical. Stakeholders include employees, investors, shareholders, customers, business partners, clients, civil society groups, Government and non-Government organizations, local communities, environment, and society at large.

The Company undertake appropriate CSR initiatives having direct/indirect, measurable, positive economic, social and environmental impact on the community with particular emphasis on the development of local area and area around where it operates and beyond its operational areas as may be appropriate for the overall empowerment of communities. The Company's CSR Policy is developmental and participatory in nature with more emphasis on self- employment and self-sustainability of CSR Beneficiaries.

The CSR policy of the Company was changed during the year due to the recent amendments brought by the Ministry of Corporate Affairs as per the Companies (Corporate Social Responsibility Policy) Rules. The CSR Policy of your Company can be viewed at the Company's website at https://www.sembcorpenergyindia.com/InvestorRelations/CodeEthics

The amended CSR policy incorporates following major changes as per the statutory requirements;

1. New Definitions
2. Mechanism for unspent CSR amount
3. Set off of excess amount spent in a Financial year
4. Administrative Set up and implementation of CSR activities
5. Monitoring and Reporting of CSR activities

The Annual Report on CSR activities in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as **Annexure - 5** to this Report.

HUMAN RESOURCES

We fully recognize that having a competent, highly motivated, and performance-led workforce is key to ensuring the success of our business. Our people play a vital role in ensuring sustainability of our business by delivering on our transformation strategy and goals. We recognise that Human Resources play a pivotal role in enabling smooth implementation of key strategic decisions through Employee Development, Employee Engagement, Compensation & Benefits, and Employee Wellness.

Your company is committed to equip people with the capabilities and know-how to achieve their fullest potential, while enabling them to remain relevant in an evolving operating landscape. Talent strategy and development as well as succession planning are supported by our:

- Talent review and succession planning framework, which includes the tracking of human capital risk supported by succession planning for key roles across multiple levels.
- Talent Development Framework
- Lead, Appraise and Develop (LeAD) performance management system
- Sembcorp Academy learning platform

Organization structure changes and efforts to induct / develop key skills to ensure productivity & to promote effectiveness in achieving business goals continued to be our focus. Your Company continues to focus on measures to have strong talent & leadership pipeline across all levels and bringing on board new expertise in areas targeted for accelerated development. In addition, focussed efforts have continued towards Leadership Development, Mentoring of young talent, Digitalization & Analytics capability for monitoring Asset Performance and Behavioural Based Safety.

We have in place a competitive remuneration and reward system based on the key principles of equity & meritocracy linked to Business Performance.

Our leadership communicates with employees through various channels including dialogues, town halls, video conferencing, newsletters, and email circulars. Based on periodic employee surveys, targeted action plans are developed to address areas of concern, with identified teams responsible for their implementation. Various engagement initiatives involving employees and families were rolled out. Several initiatives were also undertaken to ensure that care and support is given to employees through policies which help improve quality of life for employees.

The Company recognizes the impact of wellness on our employees' overall effectiveness. We adopt a holistic approach to workplace wellness encompassing the physical, social, and psychological wellbeing of our employees. Our workplace wellness plans are supported by:

- Employee-led committees that organise a range of recreational and wellness activities
- Mandatory medical screenings for employees whose work may include occupational health hazards and voluntary free annual health screenings for all employees.

Several initiatives started last year were continued to ensure that care and support is given to employees through processes to address operational continuity while ensuring safety and health of employees amidst the COVID 19 pandemic situation. A range of workshops and training programs focused on nutrition, stress management, resilience, were held to build employee capability and to support employees' physical & mental wellbeing.

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

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo are as under:

A. CONSERVATION OF ENERGY

a) Steps taken or impact on conservation of energy:

SEIL P1:

i. U1 NDCT rectification of damaged fills, drift eliminators replacement & interconnecting hot channels leaks attended during Annual overhaul for improving the cooling system.

ii. Heat rate improved through condenser vacuum improvement.

iii. Steps taken for improvement of Heat pick up for U1 High Pressure Heater -3 and achieved feedwater temperature gain.

iv. Air diffusers replaced in coal burners for improved combustion and heat rate.

v. Blowdown given through main Circulating water pump discharge without affecting condenser vacuum during seasonal benefits resulting in saving in auxiliary power.

vi. Air Preheater -1A hot end and Intermediate layers replaced with new layer for improved heating.

vii. Air Preheater -1B all baskets waterjet cleaning done and Flue gas duct all air ingress points arrested resulting in savings in power consumption.

SEIL P2:

i. Unit-1 Turbine overhauling, alumina blasting of diaphragms & blades and turbine seals gap adjustment carried out during the capital overhaul improving the heat rate.

ii. Natural Draft Cooling Tower rectification & condenser tube cleaning carried out for Unit 1 & 2 for improvement of heat rate.

iii. Blowdown given through main Circulating water pump discharge without affecting condenser vacuum during seasonal benefits resulting in saving in auxiliary power.

SEIL P1 & P2

i. Stopping of Circulation Water Pumps in Part load & ambient temperature favourable conditions for energy saving without process degradation, which achieved significant Energy savings on annual in P1 & P2 respectively,

ii. Rectification of High energy steam/water drain passing valves and rectification of Thermal insulations to avoid energy loss resulted in Gross Heat Rate reduction in P1 & P2 units after overhauling.

iii. Replacement of conventional lighting to LED bulbs by phase wise resulted in savings in power consumption.

b) Steps taken by the Company for utilizing alternate sources of energy:

i. Implementation of roof top solar power generation system in existing facilities is under consideration for utilising the alternate sources of energy.

c) Capital investment on energy conservation equipment:

NIL

B. TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption

Project	Efforts made towards technology absorption
P1	Smart Performance Analysis for Real-time Key Performance Indicators ('SPARK') – Online performance monitoring system implemented for real time performance monitoring and control
P1	Predictive Asset Maintenance tool taken up on a Pilot Project basis.
P1 & P2	Additional Thermo couples installed in unit-1 FSH zones for tube metal temperature monitoring.
P1 & P2	Energy Management System ('EMS') implemented and energy meters integrated to control room for monitoring

ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

SEIL P1 & P2:

i. Additional thermo couples installed for monitoring FSH tube metal temperatures to identify any short-term overheating during start-up. This will help to control firing and to avoid overheating/boiler tube failure thus reducing the down time.

ii. SPARK – Online cloud-based performance monitoring system implemented for both units to improve performance by tracking critical parameters and KPI's (like Heat rate, Boiler Efficiency, Equipment performance and their loss breakups/gaps etc.,) and to control the various controllable losses on real time basis.

iii. EMS is useful for realtime monitoring of Auxiliary Power Consumption ('APC') at equipment level, Dynamic APC targets, Deviation settlement Mechanism (DSM) & Balance of Plant equipment power consumption.

iv. Predictive Asset Maintenance tool is helpful in improving asset availability by reducing number of forced outages and reducing breakdown maintenance time and cost resulting in improved plant operation reliability.

iii) In case of imported technology (Imported during the last three years reckoned from the beginning of the financial year): NIL

iv) The expenditure incurred on Research & Development:

S. No.	Description	(₹ in millions)
i.	Flexible Operation study	3.37
ii.	Plant Remaining Life Cycle Assessment study	0.885

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned

Used :	EUR 19,69,233 JPY 17,16,000 SGD 16,03,545 USD 51,84,89,945
Earned :	USD 14,38,56,849

SECRETARIAL AND OTHER MATTERS

Annual return

The Annual Return for the financial year 2021-22, pursuant to Section 92(3) of the Companies Act, 2013 will be made available on the website of the Company at www.sembcorpenergyindia.com

Transfer of unclaimed dividend to Investor Education and Protection Fund

The Company has not declared dividend in any previous financial years, there is no unclaimed/ unpaid dividend. So, there are no amounts transferred to IEPF during the year.

REGULATORY AND LEGAL MATTERS

The businesses of the Company are governed primarily by the Electricity Act, 2003 (EA, 2003) and associated regulations.

The Company has not received any regulatory orders during the reporting period which has an impact the "Going Concern" status of your Company and operations in the future.

Material Changes and Commitment

There are no significant material changes or commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and date of the report.

Significant and Material Orders passed by Regulators or Courts or Tribunal

No orders have been passed by any Regulator or Court or Tribunal which can have significant impact on the going concern status and the Company's operations in future.

Proceedings under Insolvency and Bankruptcy Code 2016

No application was made, nor any proceeding is pending or initiated by the Company or against under the Insolvency and Bankruptcy Code, 2016 during the year.

Details of one time settlement with the Banks

The Company has not made any one time settlement with any Banks or Financial Institutions during the year.

ACKNOWLEDGEMENT

Your Directors place on record their deep sense of appreciation for continuous support from Company's employees, customers, vendors, investors and lenders Your Directors also wish to place on record their deep sense of appreciation to the government of various countries, government of India, the governments of various states in India and concerned government departments / agencies for their co-operation.

For and on behalf of the Board

Wong Kim Yin
Chairman
(DIN: 08806258)

Vipul Tuli
Managing Director
(DIN: 07350892)

Date: August 03, 2022
Place: Gurugram

Annexure - 1

FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and the nature of relationship	
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/arrangement/ transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	NIL
(f)	Date of approval by the Board	
(g)	Amount paid as advances, if	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

A. Transfer of 100% shares of Sembcorp Green Infra Ltd. held by the Company to Sembcorp Utilities Pte. Ltd.

(a)	Name(s) of the related party and the nature of relationship	Name- Sembcorp Utilities Pte Ltd Nature of relationship- Holding Company
(b)	Nature of contracts/ arrangements/ transactions	Transfer of 100% shares of Sembcorp Green Infra Ltd. held by the Company to Sembcorp Utilities Pte. Ltd.
(c)	Duration of the contracts/arrangement/ transactions	As provided under the agreement
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Transfer of shares at cash consideration at a price not less than fair market value determined in accordance with applicable law.
(e)	Date of approval by the Board	08 November, 2021
(f)	Amount paid as advances, if any	Nil

B. Amendments to the Technical Services Agreements (TSA) entered by the Company with Sembcorp Utilities Pte Ltd.

(a)	Name(s) of the related party and the nature of relationship	Name- Sembcorp Utilities Pte Ltd Nature of relationship- Holding Company
(b)	Nature of contracts/ arrangements/ transactions	Amendments to the Technical Services Agreements (TSA) entered by the Company with Sembcorp Utilities Pte Ltd.
(c)	Duration of the contracts/arrangement/ transactions	As per amended agreement
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Existing TSAs executed for both the projects are proposed to be clubbed into single agreement and the scope of service are revised. Payments to be made in equal instalments on yearly basis.
(e)	Date of approval by the Board	08 November, 2021
(f)	Amount paid as advances, if any	Nil

Wong Kim Yin
Chairman
(DIN: 08806258)

Vipul Tuli
Managing Director
(DIN: 07350892)

Date: August 03, 2022
Place: Gurugram

Annexure - 2

Form No. MR-3

[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]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

To,
The Members,
SEMBCORP ENERGY INDIA LIMITED
Gurugram

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other documents/ 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, we hereby report that in our 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 hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2022** according to the provisions of:

(1) The Companies Act, 2013 (the Act) and the rules made there under;

(2) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

(3) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;

We have also examined compliances with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

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

We further report that

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

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

During the period under review resolutions were carried through majority decisions. As confirmed by the management, there were no dissenting views expressed by any of the members or any business transacted at the meetings held during the period under review.

We 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.

For BS & Company Company Secretaries LLP

Dafthardar Soumya
Designated Partner
CP No.: 13199
FCS No.: 11754
UDIN: F011754D000581686

Date: 07/07/2022
Place: Hyderabad

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

Annexure

To,
The Members,
SEMBCORP ENERGY INDIA LIMITED
Gurugram

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial records 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 process 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. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws, Environment laws and Data protection policy.

8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws, Labour Laws, General and other specific Laws as may be applicable to the Company, have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

9. Under the situation of COVID-19 pandemic prevailing during the period, secretarial audit was conducted with the verification of all the documents, records and other information electronically as provided by the management.

For BS & Company Company Secretaries LLP

Dafthardar Soumya
Designated Partner
CP No.: 13199
FCS No.: 11754
UDIN: F011754D000581686

Date: 07/07/2022
Place: Hyderabad

Annexure - 3

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/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in millions)

Sl No.	Name of Subsidiaries	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Exchange Rate as at 31st March, 2022	Share capital	Reserve and surplus	Total assets	Total liabilities	Investments	Turnover#	Profit/(Loss) before Taxation#	Provision for taxation#	Profit/ (Loss) after taxation#	Proposed dividend	% of equity shareholding
1	TPCIL Singapore Pte Ltd *	No	USD	75.81	2.92	(2.23)	1.03	0.34	-	-	(0.31)	-	(0.31)	-	100.00
2	Sembcorp Green Infra Limited	No	INR		-	-	-	-	-	476.36	246.37	0.43	245.94	-	-
3	Green Infra Wind Energy Limited	No	INR		-	-	-	-	-	5,793.91	1,149.05	305.67	843.38	-	-
4	Green Infra Corporate Solar Limited	No	INR		-	-	-	-	-	1,494.79	58.97	58.95	0.02	-	-
5	Green Infra Wind Power Limited	No	INR		-	-	-	-	-	95.95	(10.62)	(2.70)	(7.92)	-	-
6	Green Infra Corporate Wind Limited	No	INR		-	-	-	-	-	104.88	5.78	1.46	4.32	-	-
7	Green Infra Wind Energy Assets Limited	No	INR		-	-	-	-	-	94.28	(11.61)	(6.20)	(5.41)	-	-
8	Green Infra Wind Farm Assets Limited	No	INR		-	-	-	-	-	411.55	109.13	16.52	92.61	-	-
9	Green Infra Wind Energy Project Limited	No	INR		-	-	-	-	-	142.39	23.53	2.28	21.25	-	-
10	Green Infra Wind Solutions Limited	No	INR		-	-	-	-	-	458.32	22.22	2.18	20.04	-	-
11	Green Infra Wind Power Generation Limited	No	INR		-	-	-	-	-	1,031.08	117.03	46.34	70.69	-	-
12	Green Infra Wind Farms Limited	No	INR		-	-	-	-	-	223.08	79.40	16.62	62.78	-	-
13	Green Infra Wind Generation Limited	No	INR		-	-	-	-	-	382.30	199.83	9.86	189.97	-	-
14	Green Infra Wind Power Projects Limited	No	INR		-	-	-	-	-	250.20	62.82	38.42	24.40	-	-
15	Green Infra BTV Limited	No	INR		-	-	-	-	-	454.32	78.31	14.70	63.61	-	-
16	Green Infra Wind Energy Theni Limited	No	INR		-	-	-	-	-	66.84	24.01	5.58	18.43	-	-
17	Green Infra Wind Power Theni Limited	No	INR		-	-	-	-	-	21.05	5.56	0.13	5.43	-	-
18	Mulanur Renewable Energy Limited	No	INR		-	-	-	-	-	198.50	34.01	8.09	25.92	-	-
19	Green Infra Solar Energy Limited	No	INR		-	-	-	-	-	167.58	64.24	9.56	54.68	-	-
20	Green Infra Solar Farms Limited	No	INR		-	-	-	-	-	245.36	83.85	1.59	82.26	-	-
21	Green Infra Solar Projects Limited	No	INR		-	-	-	-	-	61.39	15.88	0.49	15.39	-	-
22	Green Infra Wind Ventures Limited	No	INR		-	-	-	-	-	-	(67.60)	-	(67.60)	-	-
23	Green Infra Renewable Energy Limited	No	INR		-	-	-	-	-	2,169.96	441.28	101.62	339.66	-	-
24	Green Infra Wind Assets Limited	No	INR		-	-	-	-	-	-	(49.21)	-	(49.21)	-	-
25	Green Infra Wind Technology Limited	No	INR		-	-	-	-	-	-	(4.62)	-	(4.62)	-	-
26	Green Infra Wind Limited	No	INR		-	-	-	-	-	-	(0.08)	-	(0.08)	-	-
27	Green Infra Renewable Projects Limited	No	INR		-	-	-	-	-	58.82	36.79	-	36.79	-	-
28	Green Infra Solar Power Projects Limited	No	INR		-	-	-	-	-	-	-	-	-	-	-
29	Green Infra Solar Generation Limited	No	INR		-	-	-	-	-	-	-	-	-	-	-

Refer 0.00 million as figures less than 0.01 million

*Subsidiaries which are yet to commence operations

#Figures have been adjusted for the period considering that these companies are not subsidiary of the Company with effect from December 22, 2021

Subsidiaries which have been liquidated or sold during the year : NIL

Part "B": Associates and Joint Venture

(Information in respect of each Associates or Joint Venture to be presented with amounts in ₹ in thousands)

Sl No.	Name of Associates/ Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/ Joint Ventures held by the company on the year end	i- No. of shares	ii- Amount of Investment in Associates/ Joint Venture	iii- Extent of Holding %	Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to shareholding as per latest audited Balance Sheet	Profit/ (loss) for the year	i- Considered in Consolidation	ii- Not Considered in Consolidation
			NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

For and on behalf of the Board of Directors of
Sembcorp Energy India Limited

Place: Gurugram Date: 26 May 2022	**Wong Kim Yin** Chairman DIN: 08806258	**Vipul Tuli** Managing Director DIN: 07350892	**Juvenil Jani** Chief Financial Officer	**Narendra Ande** Company Secretary Membership No: A14603

Annexure - 4

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

Corporate Governance is the application of best management practices, continued compliances of law and adherence to highest ethical standards to achieve the objectives of the Company of enhancing stakeholder's value and its own image. A good Corporate Governance framework incorporates a system of robust checks and balances between Key players, namely the Board, the Management, Auditors and Stakeholders.

Sembcorp Energy India Limited remains resolute in its commitment to conduct business in accordance with the highest ethical standards and sound Corporate Governance practices. Your Company strongly believes that sound, robust and unambiguous system of Corporate Governance practices go a long way in retaining investor trust and preserving the interest of all existing as well as prospective Stakeholders. Further, your Company corporate structure, business, operations, and disclosure practices are aligned to the global practices.

Your Company is committed to conduct its business fairly, ethically in compliance of the applicable laws, rules and regulations and with the highest standards of business ethics. The objective of the Company is, not only to meet the statutory requirements of the Code of Corporate Governance, but to develop such systems and follow such practices and procedures as would make the management completely transparent and accountable in its interaction with employees, shareholders, lending institutions and customers, thereby enhancing the stakeholders value and protecting the interest of stakeholders.

BOARD COMPOSITION:

The Company's policy is to have appropriate mix of Executive and Non-Executive/ Independent Directors including woman Director on the Board. The number of Non-Executive Directors (NEDs) exceeds 50% of the total number of Directors. All Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Companies Act, 2013.

The Board is collectively responsible for providing overall strategic direction and ensuring the long-term success of Company's business. The Company's Board of Directors consists of seven members, with one Executive Director and six Non-Executive Directors (NEDs) including two woman Directors as on March 31, 2022. The Company complies with the provisions of the Companies Act, 2013 relating to the Board Composition. The details of the Directors, their directorships, committee positions in other companies as on March 31, 2022 are as given below:

Sl. No.	Name of the Director	Designation	Category of Directorship	No. of other Directorships(1)	Shares held	No. of Committee Positions held(2)	
						Chairman	Member
1.	Mr. Wong Kim Yin	Chairman	Non-Executive Non-Independent	1	Nil	Nil	Nil
2.	Ms. Looi Lee Hwa	Director		Nil	Nil	Nil	Nil
3.	Mr. Eugene Cheng	Director		1	Nil	Nil	Nil
4.	Mr. Vipul Tuli	Managing Director	Executive	1	6*	Nil	Nil
5.	Mr. R S Sharma	Director	Non-Executive Independent	5	Nil	1	6
6.	Ms. Sangeeta Talwar	Director		6	Nil	2	7
7.	Mr. Kalaikuruchi Jairaj	Director		7	Nil	3	5

* as a nominee of Sembcorp Utilities Pte. Ltd.

NOTES

- (1)Excludes directorship in private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 (the Act).
- (2)Includes memberships/chairmanships of the Audit Committee and Stakeholders Relationship Committee of Indian public companies.
- None of the Directors were members of more than 10 committees or acted as chairperson of more than 5 committees, across all the companies in which he/she was a Director. Also none of the Directors held directorship in more than 20 Indian companies including 10 public limited companies.
- None of the Directors were related to any other Director.

Names of the Indian listed entities where the person is a Director and the category of directorship: -

Sl No.	Name of the Director	Name of listed Company	Category of directorship in listed Company
1.	Mr. Wong Kim Yin	Nil	NA.
2.	Ms. Looi Lee Hwa	Nil	NA.
3.	Mr. Eugene Cheng	Nil	NA.
4.	Mr. Vipul Tuli	Nil	NA.
5.	Mr. R S Sharma	Polycab India Limited Jubilant Industries Limited	Independent Director
6.	Ms. Sangeeta Talwar	HCL Infosystems Limited TCNS Clothing Co. Limited Castrol India Limited Mahindra Holidays & Resorts India Limited	Independent Director
7.	Mr. Kalaikuruchi Jairaj	Adani Transmission Limited RPSG Ventures Ltd. PCBL Ltd.	Independent Director

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensuring that the Company complies with the highest standards of corporate governance.

The Board recognises the following skill sets of the Directors with reference to its Business and Industry as given below:

Name of Director	Expertise in specific functional area
Mr. Wong Kim Yin	Mr. Wong Kim Yin, Group President & CEO – Sembcorp Industries and Chairman of the Board of Directors of your Company brings more than 20 years of leadership experience in the energy sector and in investment management. He is instrumental in leading Sembcorp's transformation of its portfolio from brown to green.
Mr. Vipul Tuli	Mr. Vipul Tuli presently holds the position as CEO - South Asia for Sembcorp Group and oversees Sembcorp's investments and key stakeholder relationships in India and Bangladesh. He is also Managing Directors of your company and brings lots of industry experience in energy, chemicals, and infrastructure sectors in India with more than 3 decades of experience.
Mr. Eugene Cheng	Mr. Eugene Cheng as Group CFO, overseas Group's finance, portfolio and integration, investment, sustainability, media and investor relations functions. He brings extensive experience in financial and strategic leadership across the aviation, offshore oil and gas, marine engineering and logistics industries.
Ms. Looi Lee Hwa	Ms. Looi Lee Hwa presently oversees legal, ethics and compliance matters within the Sembcorp Group. She brings to Sembcorp rich experience in her field, having worked in legal and compliance positions in diverse industries, including shipping, manufacturing as well as oil and gas.
Mr. R S Sharma	Mr. R S Sharma retired as Chairman and Managing Director of Oil and Natural Gas Corporation Limited, India's largest oil and gas exploration and production Company and served in several managerial positions during his career and has more than 40 years of experience in the energy sector.
Ms. Sangeeta Talwar	Ms. Sangeeta Talwar has multifunctional exposure across the disciplines of Marketing, Sales, Human Resources and General Management and more than 40 years of experience in the Industry.
Mr. Kalaikuruchi Jairaj	Mr. K. Jairaj having retired from Indian Administrative Service, brings lot of experience having served in key positions like Infrastructure, Energy, Transport and Urban Development sectors including as Principal Secretary - Energy Department.

BOARD MEETINGS

Date of Board meetings are decided in advance and circulated to all the Directors before starting of the year. The agenda, detailed notes and other annexures for the meetings are circulated well in advance to the Directors. With a view to leverage technology and reducing paper consumption, the Company has adopted a digital application for transmitting Board/ Committee agendas and notes. During the year 2021-22, seven Board meetings were held on May 24, 2021, June 28, 2021, August 11, 2021, November 08, 2021, November 29, 2021, February 16, 2022 and March 16, 2022.

The Board of Directors and their attendance for the Board Meetings, the Annual General Meeting during the Financial Year 2021-22 is given below:

S. No	Name of the Director	Designation	No. of Board meetings held	Number of Board meetings attended	Attendance at AGM on July 01, 2021
1.	Mr Wong Kim Yin	Chairman	7	7	No
2.	Mr. Vipul Tuli	Managing Director	7	7	Yes
3.	Mr. Eugene Cheng	Director	7	7	No
4.	Ms. Looi Lee Hwa	Director	7	7	No
5.	Mr. R S Sharma	Director	7	7	No
6.	Ms. Sangeeta Talwar	Director	7	7	No
7.	Mr. Kalaikuruchi Jairaj	Director	7	7	No

INDEPENDENT DIRECTORS' MEETING

The Independent Directors meet at least once in a year, without the presence of Executive Director or Management representatives, inter alia to discuss the below given matters:

- The performance of Non-Independent Directors and the Board as a whole;
- The performance of the Chairman of the Company, considering the views of Executive Directors and Non-Executive Directors;
- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties; and
- Other matters arising out of Board / Committee(s) deliberations.

During the year, the Independent Directors' meeting is held on March 08, 2022. Independent Directors have regular interactions outside the Board meetings with Chairman & Managing Director.

INDEPENDENT DIRECTORS

During the year, your Board of Directors have reviewed and opined that the Independent Directors fulfil the criteria for independence, as specified under the Companies Act, 2013.

The Independent Directors, upon appointment on Board of the Company, are given a formal appointment letter *inter alia* containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, performance evaluation process, disclosure, confidentiality etc. The terms and conditions of appointment of Independent Directors are available on the Company's website www.sembcorpenergyindia.com

COMMITTESS OF THE BOARD

Audit Committee

The Audit Committee constituted in accordance with the applicable provisions of the Companies Act, 2013 and provides directions to the audit functions and monitors the quality of internal and statutory audit. The Audit Committee of the Company is comprised of four Directors with majority of Independent Directors and headed by an Independent Director. All members of the Committee possess knowledge of Corporate Finance, Accounts and Company Law. The Audit Committee meetings are attended by the Auditors, Chief Financial Officer, Accounts and Finance Heads. The Company Secretary acts as the Secretary to the Audit Committee. The minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent Board meeting and all the recommendations of Audit Committee were accepted by the Board.

During the period under review, six meetings of the Audit Committee were held on May 17, 2021, May 24, 2021, August 11, 2021, September 27, 2021, November 08, 2021 and February 16, 2022. The details of the Committee composition, meetings and attendance of the members at its meetings are as follows:

S. No	Members	Designation	No of meetings held	No of meetings attended
1	Mr. R.S. Sharma	Chairman	6	6
2	Mr. K Jairaj	Member	6	6
3	Ms. Sangeeta Talwar	Member	6	6
4	Ms. Looi Lee Hwa	Member	6	6

Note- Mr Eugene Cheng has been inducted as a Member of Audit Committee in place of Ms. Looi Lee Hwa w.e.f May 26, 2022 by the Board of Directors in their meeting held on May 26, 2022.

The Management is responsible for the adequacy of Internal Financial controls with reference to the Financial Statements. The Independent Auditors are responsible for performing an independent audit of the Company's Financial Statements in accordance with the Generally Accepted Auditing Principles and for issuing a report thereon. The Committee's responsibility is to monitor these processes and responsible for overseeing the processes related to financial reporting, information dissemination to ensure that, the financial statements reflect true and fair view. The Committee also reviews the internal controls are put in place over financial reporting to ensure that the accounts of the Company are properly maintained, and the accounting transactions comply with applicable laws.

The Company has established a Vigil mechanism for Directors, employees and other stakeholders to report concerns about the unethical behaviour, actual or suspected fraud, or violation of Company's Code of Business Conduct. It also provides for adequate safeguards against the victimisation of employees who uses the vigil mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. Further, it is confirmed that no stakeholder has been denied access to the audit committee under the vigil mechanism.

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee has been duly constituted as per the Companies Act, 2013. The Committee has formulated the criteria for determining qualification, positive attributes, independence of a Director prior to recommending their appointment on the Board of the Company. Further, the Committee also devised a policy relating to remuneration for the Directors, key managerial personnel, employees, evaluation criteria of Directors. The Committee also laid down the criteria on Board diversity, identifying persons qualified to become Directors and be in senior management positions.

Annual Performance Evaluation of the Board, Board Committees and Directors, including Independent Directors for the financial year 2021-22 has been carried out by an outside consultant, through online survey mechanism as per Companies Act, 2013.

The Nomination and Remuneration Committee of the Company is comprised of three Non-Executive Independent Directors and the Chairman of the Committee is an Independent Director. During the year under review, the Nomination and Remuneration Committee of the Board met twice on November 29, 2021 and March 08, 2022.

The details of the Committee composition, meetings and attendance of the members at its meetings are as follows:

S. No	Members	Designation	No of meetings held	No of meetings attended
1	Ms. Sangeeta Talwar	Chairperson	2	2
2	Mr. R S Sharma	Member	2	2
3	Mr. K Jairaj	Member	2	2

Corporate Social Responsibility Committee

Corporate Social Responsibility (CSR) is a Company's commitment to its stakeholders to conduct business in an economically, socially, and environmentally sustainable manner that is transparent and ethical. Stakeholders include employees, investors, shareholders, customers, business partners, clients, civil society groups, Government and non-Government organizations, local communities, environment, and society at large.

The Company undertake appropriate CSR initiatives having direct/indirect, measurable and positive economic, social and environmental impact on the community with particular emphasis on the development of local area and area around where it operates and beyond its operational areas as may be appropriate for the overall empowerment of communities. The Company's CSR Policy is developmental and participatory in nature with more emphasis on self- employment and self-sustainability of CSR Beneficiaries.

The Company has duly constituted CSR Committee of the Board as per the Companies Act, 2013, who will recommend the CSR activities to be undertaken by the Company during the year, the amount to be spent and responsible for overseeing the implementation of various CSR activities. The CSR Committee is comprised of four Directors including three Independent Directors and the Chairman of the Committee is an Independent Director. The CSR Committee met twice during the financial year on June 08, 2021 and November 29, 2021.

The details of the Committee composition, meetings and attendance of the members at its meetings are as follows:

S. No	Members	Designation	No of meetings held	No of meetings attended
1	Ms. Sangeeta Talwar	Chairperson	2	2
2	Mr. R.S. Sharma	Member	2	2
3	Mr. Vipul Tuli	Member	2	2
4	Mr. K Jairaj	Member	2	2

Note- Mr K Jairaj has been designated as Chairman of CSR Committee by the Board of Directors from May 26, 2022.

The CSR Committee was set up to formulate and monitor CSR Policy of the Company. The objective of CSR policy is to ensure that the families living in the proximity to the Project improve their standards of living, earning capacity and production levels through a process in which they participate through their own social and cultural institutions. The CSR Policy is developmental and participatory in nature with emphasis on ensuring that development in the area fosters full respect for their dignity, human rights and cultural uniqueness. The CSR Committee is also responsible for overseeing the CSR activities, programs and execution of various initiatives.

Stakeholders' Relationship Committee

The Board has constituted the Stakeholders' Relationship Committee in line with the provisions of the Section 178 of the Companies Act, 2013 and is comprised of three Directors including two Independent Directors as per the details given below:

S. No	Members	Position
1	Mr. K. Jairaj	Chairman
2	Mr. R. S. Sharma	Member
3	Mr. Vipul Tuli	Member

The Stakeholders' Relationship Committee assists the Board and the Company to oversee the existing redressal mechanism in relation to Stakeholders of the Company. Purpose and responsibilities of the Committee shall include such other items/matters prescribed under applicable laws or as prescribed by the Board in compliance with the applicable law, from time to time.

Name, designation and address of the Compliance Officer:

Mr. Narendra Ande, Company Secretary
5th Floor, Tower C, Building No. 8,
DLF Cybercity, Gurugram- 122002, Haryana
DID :+91-124-3896849 FAX : :+91-124-3896710

A separate e-mail ID investorgrievances@sembcorp.com set up as a dedicated ID solely for the purpose of dealing with Members' queries/complaints.

The Board has appointed Mr. Narendra Ande, Company Secretary as the Compliance Officer. Share transfer formalities are regularly attended, depending on the requirement. The Company has not received any investor complaints during the year.

REMUNERATION TO DIRECTORS

a) Details of remuneration and perquisites paid to the Managing Director during the year under review.

(Amt. in ₹)

S. No	Particulars of Remuneration	Mr. Vipul Tuli, Managing Director
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,88,18,354
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Option/RSP/PSP prequisite	5,33,33,239
3	Sweat Equity	-
4	Commission	-
5	Others/Variable bonus	6,31,97,862
	Total	**15,53,49,455**

b) The Company pays sitting fee only to the Non- Executive Independent Directors. No commission was paid to any of the Non-Executive Directors during the year. Details of sitting fee paid to Non-Executive Independent Directors during the year is as given below:

S. No	Name of the Director	Category of the Director	Sitting Fee (Amt. in ₹)
1.	Mr. R S Sharma	Non-Executive Independent Director	18,00,000
2.	Ms. Sangeeta Talwar	Non-Executive Independent Director	18,00,000
3.	Mr. Kalaikuruchi Jairaj	Non-Executive Independent Director	18,00,000

None of the Independent Directors had any pecuniary relationship or transactions with the Company other than the Sitting Fees received by them. The Company also reimburses out-of-pocket expenses, if any, incurred by the Directors for attending the Board/ Committee Meetings.

Transfer of unclaimed dividend to Investor Education and Protection Fund

Pursuant to the provisions of Sections 124 and 125 of the Act, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

There is no unclaimed dividend and there are no amounts required to be transferred to IEPF during the year.

General Body Meetings

The details of the last three Annual General Meetings (AGMs) of the Company are as follows:

Financial year ended	Day, Date & Time	Venue	Special Resolution(s) passed
2020-21	Thursday, July 01, 2021 at 11.00. A.M.	5th Floor, Tower C, Building No. 8, DLF Cybercity, Gurugram – 122002, Haryana	Nil
2019-20	Wednesday, September 23, 2020 at 11.00. A.M.		Nil
2018-19	Monday, September 09, 2019 at 11.00. A.M.		Nil

During the year under review, no special resolution has been passed through the exercise of postal ballot and no special resolution is proposed to be conducted through postal ballot at the ensuing Annual General Meeting.

Annual Reports: The Annual Reports are emailed/posted to Members and others entitled to receive them and is also placed on the website of the Company.

News Releases, Presentations etc.: Official news releases, presentations made to media, analysts, institutional investors etc, if any, are generally displayed on the Company's website.

Website: Comprehensive information about the Company, its business and operations, Press Releases and investor information can be viewed at the Company's website www.sembcorpenergyindia.com. The 'Investor Relations' section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholders related data etc.

NSE Electronic Application Processing System (NEAPS) and BSE Online Portal: As on date, securities of your company are not listed on any stock exchanges, the Company will be submitting to NSE all disclosures and intimations through NEAPS portal and similar filings would be made to BSE on their online Portal - BSE Corporate Compliance & Listing Centre upon it getting listed on the recognised Stock Exchanges.

SEBI Complaints Redress System (SCORES): SCORES is a centralised web-based complaints redressal system which serves as a database of all investor complaints and enables uploading of Action Taken Reports (ATRs) by the concerned Company, online viewing by the investors of actions taken and their current status. Your Company is registered on the SCORES portal.

General Shareholder Information

(a) Details of AGM : Tuesday, August 23, 2022 at 11.00 AM at 5th Floor, Tower C, Building No. 8, DLF Cybercity, Gurugram – 122002, Haryana

(b) Financial Year : April 01 2021 to March 31, 2022

(c) Dividend Payment Date : Not Applicable

(d) Listing on Stock Exchanges : Not Applicable

Registrars and Share Transfer Agents:

KFin Technologies Limited

Selenium Tower B, Plot 31-32, Gachibowli,

Financial District, Nanakramguda,

Hyderabad – 500 032, Telangana,

Tel: +91 40 6716 2222

Fax: +91 40 2343 1551

Website: www.kfintech.com

Shareholding Distribution:

Slab	Number of shares				Number of Shareholders					
	Physical	Demat	Total	%	Physical	%	Demat	%	Total	%
1-5000	-	90	90	Negligible	-	-	8	88.89	8	88.89
5001 and above	-	543,36,68,484	543,36,68,484	100%	-	-	1	11.11	1	11.11
Total	**-**	**543,36,68,574**	**543,36,68,574**	**100%**	**-**	**-**	**9**	**100**	**9**	**100**

Shareholding pattern as on 31st March 2022:

Particulars	Equity shares of ₹10/- each	
	No. of Shares	%
a) Promoters & Promoter Group	543,36,68,574	100.00
b) Public	-	-
c) Non Promoter- Non Public	-	-
Total	**543,36,68,574**	**100%**

Top 10 Shareholders as on March 31, 2022

S. No	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Sembcorp Utilities Pte. Ltd.	543,36,68,484	100.00
2.	Mr. Juvenil Jani*	18	Negligible
3.	Mr. Pankaj Kapoor*	18	Negligible
4.	Mr. Harsh Bansal*	18	Negligible
5.	Mr. Subrat Das*	18	Negligible
6.	Mr. Vipul Tuli *	6	Negligible
7.	Mr. Raghav Trivedi*	4	Negligible
8.	Mr. Babrubahan Panigrahi*	4	Negligible
9.	Mr. Rajesh Prabhakar Zoldeo*	4	Negligible

* Nominee shareholders of Sembcorp Utilities Pte. Ltd.

Dematerialization of Shares as on March 31, 2022 and Liquidity:

The Company's shares are available for trading through both the Depositories in India – National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). 100 % of the Paid-up Equity Share Capital of the Company is in dematerialised form as on March 31, 2022.

During the year, the Company has not issued any GDRs/ADRs/ Warrants or any other convertible instruments nor outstanding as on March 31, 2022.

Commodity price risk and hedging activity:

The Company is exposed to risk from market fluctuations of coal price for its imported coal and other transactions and hedging is done for both commodity and forex exposure as per approved Risk Management Policy.

Plant location of the Company:

Project 1 :	Project 2 :
Pyanampuram/ Nelaturu Village, Muthukur Mandal, Nellore – 524344, Andhra Pradesh	Ananthavaram Village, Varakavipudi Panchayat, TP Gudur Mandal, Nellore – 524344, Andhra Pradesh

Address for Correspondence:
Sembcorp Energy India Limited
Regd.Office: 5th Floor, tower C, Building No. 8,
DLF Cybercity, Gurgaon – 122002, Haryana , India
Tel: (91) 124 389 6700 Fax: (91) 124 389 6710
Email: cs.india@sembcorp.com

Credit Rating:

During the year the Company has received following Credit Ratings for against the financial facilities from Banks/ Financial Institutions;

- **Oct 2021 -** AA-/Stable by India Rating for Long Term/ECB/ Working Capital Loans of SEIL P1 and SEIL P2
- **Oct 2021 -** A1+ by India rating for short term (Commercial Paper)
- **Jan 2022 -** A1+ by ICRA rating for short term (Commercial Paper)
- **Mar 2022 -** AA-/Stable by India Rating for Long Term/ECB/ Working Capital Loans of SEIL P1 and SEIL P2
- **Mar 2022 -** A1+ by India rating for short term (Commercial Paper)

Other Disclosures

1. There are no materially significant related party transactions during the year, except those as disclosed in financial statements.
2. No transactions related to any goods & materials, financial and commercial in nature were entered by the Company with the Board of Directors or KMPs or their relatives except those as disclosed in financial statements.
3. The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The said policy has been

posted on the Company's website. The Company affirms that no person has been denied access to the Chairperson of Audit Committee.

4. The Company follows Accounting Standards as prescribed by the Ministry of Corporate Affairs in the preparation of its financial statements.

6. Disclosure of commodity price risks and commodity hedging activities: The Company is exposed to risk from market fluctuations of foreign exchange on coal import and other transactions. The Audit Committee reviews the risk exposures on quarterly basis. The Company is hedging its exposure to foreign exchange transactions as per the risk management policy.

7. Particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Notice of the AGM to be held on Tuesday, August 23, 2022.

8. The Board of Directors have accepted the recommendation(s) of all committees of the board which is mandatorily required in the financial year.

Other Shareholder Information:

- Corporate Identity Number (CIN): U40103HR2008PLC095648
- International Securities Identification Number (ISIN) for equity shares : INE460M01013

Wong Kim Yin
Chairman
(DIN: 08806258)

Vipul Tuli
Managing Director
(DIN: 07350892)

Date: August 03, 2022
Place: Gurugram

Annexure - 5

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company.

The Board of Directors approved the Corporate Social Responsibility Policy based on the recommendation of the Corporate Social Responsibility Committee and the same is available on the Company's website.

Corporate Social Responsibility (CSR) is a Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. Stakeholders include employees, investors, shareholders, customers, business partners, clients, civil society groups, Government and Non-Government organizations, local communities, environment and society at large.

The CSR Vision of the Company is - To actively contribute to the social and economic development of the communities in which we operate and beyond. In doing so, build a better, environmentally sustainable way of life for all the stakeholders, local community and society at large.

The Company has been actively working in the following major CSR activities, in accordance with Schedule VII of the Companies Act, 2013:

S. No	CSR Activities	Item No of Schedule VII of Companies Act, 2013
1.	Healthcare	Item No (i)
2.	Education	Item No (ii)
3.	Skill and Entrepreneurship Development	Item No (ii)
4.	Others – Afforestation Projects for Environment Sustainability and Clean Energy Promotion	Item No (iv)

The Corporate Social Responsibility Policy is posted on the Company's website www.sembcorpenergyindia.com on the link https://sembcorpenergyindia.com/InvestorRelations/CodeEthics

2. Composition of CSR Committee: (as on March 31, 2022)

S. 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.	Ms. Sangeeta Talwar	Chairman	2	2
2.	Mr. R. S. Sharma	Member	2	2
3.	Mr. K. Jairaj	Member	2	2
4.	Mr. Vipul Tuli	Member	2	2

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.

The Composition of Corporate Social Responsibility (CSR) Committee, CSR Policy and CSR projects approved by the Board are disclosed on the Company's Website www.sembcorpenergyindia.com on the link https://sembcorpenergyindia.com/InvestorRelations/CodeEthics

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).

As per sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, every company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency.

This is not applicable to our Company, as the average CSR obligation in three immediately preceding financial years is less than ten crore.

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

S. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1.	2020-21	₹ 3.53 million	₹ 3.53 million
2.	2019-20	-	-
3.	2018-19	-	-
	Total	**₹ 3.53 million**	**₹ 3.53 million**

6. Average net profit of the company as per section 135(5) – ₹ 2804.90 million

7. (a) **Two percent of average net profit of the company as per section 135(5) –** ₹ 56.11 million

(b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years –** NIL

(c) **Amount required to be set off for the financial year, if any -** ₹ 3.53 Million

(d) **Total CSR obligation for the financial year (7a+7b-7c) –** ₹ 52.58 million

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (₹ in Million)	Amount Unspent (₹ in Million)				
	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
40.58	12.03	29.04.2022	NA	NA	NA

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

(₹ In Million)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Project duration (in years)	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1	On-going School Toilets construction and renovation	Item (ii)	Yes	Andhra Pradesh	SPSR Nellore District	2	1.30	0	1.30	Yes	NA	NA
2	Solar Lights Provision to nearby Anganwadi Canters	Item (i)	Yes	Andhra Pradesh	SPSR Nellore District	2	0.97	0	0.97	Yes	NA	NA

(₹ In Million)

(1) Sr. 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. State	District	(6) Project duration (in years)	(7) Amount allocated for the project	(8) Amount spent in the current financial Year	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6)	(10) Mode of Implementation - Direct (Yes/ No).	(11) Mode of Implementation - Through Implementing Agency Name	CSR Registration number.
3	Community Mobile Medical Health Services	Item (i)	Yes	Andhra Pradesh	SPSR Nellore District	2	4.75	2.39	2.36	No	Wockhardt Foundation	CSR00000161
4	Renovation of existing RO Plants in the nearby communities	Item (i)	Yes	Andhra Pradesh	SPSR Nellore District	2	0.90	0	0.90	Yes	NA	NA
5	Community Eye Screening Camps	Item (i)	Yes	Andhra Pradesh	SPSR Nellore District	2	1.75	0	1.75	No	Hyderabad Eye Institute	CSR00001698.
6	Skill Development Training for Women and Youths (Trainings in Tailoring, Maggam Work etc), Fly ash Brick Training support	Item (ii)	Yes	Andhra Pradesh	SPSR Nellore District	2	1.90	0.27	1.63	Yes	NA	NA
7	Afforestation In the available vacant Lands of the Schools, Colleges and Residential hostels	Item (iv)	Yes	Andhra Pradesh	SPSR Nellore District	2	4.82	1.70	3.12	Yes	NA	NA
TOTAL CSR AMOUNT SPENT AGAINST ONGOING PROJECTS							16.39	4.36	12.03			

c) Details of CSR amount spent against other than ongoing projects for the financial year:

(₹ In Million)

(1) Sr. 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. State	District	(6) Amount spent for the project	(7) Mode of Implementation - Direct (Yes/ No).	(8) Mode of Implementation - Through Implementing Agency Name	CSR Registration number.
PROMOTION OF EDUCATION									
1	Provision of transport facilities to all the school going children in the neighbouring villages	Item (ii)	Local Area	Andhra Pradesh	SPSR Nellore District	0.70	Yes	NA	NA
2	Providing Nutrious diet for SSC appearing students after school hours in 5 Mandals	Item (ii)	Local Area	Andhra Pradesh	SPSR Nellore District	1.85	Yes	NA	NA

(₹ In Million)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
3	Covid Awareness In Schools	Item (ii)	Local Area	Andhra Pradesh	SPSR Nellore District	0.16	Yes	NA	NA
4	Monitoring of Education Projects	Item (ii)	Local Area	Andhra Pradesh	SPSR Nellore District	0.26	Yes	NA	NA
Total Amount spent on Education (A)						**2.97**			
PROMOTING HEALTH CARE INCLUDING PREVENTIVE HEALTH CARE, AND MAKING AVAILABLE SAFE DRINIKING WATER									
1	Covid-19-Preventive and mitigation measures by Providing Oxygen Concentrators to Communities	Item (i)	Local Area	Andhra Pradesh	SPSR Nellore District	25.74	NO	KVN FOUNDATION	CSR00004268
2	Covid-19-Preventive and mitigation measures in the communities by Providing Covid Home Isolation Medical Kits, conducting community Sanitaization drives and Community messaging	Item (i)	Local Area	Andhra Pradesh	SPSR Nellore District	2.36	Yes	-	-
3	Providing Safe Drinking water to the communities - RO Plants Maintenance	Item (i)	Local Area	Andhra Pradesh	SPSR Nellore District	1.93	Yes	-	-
4	Community Health Emergency Services to the neighbouring villages	Item (i)	Local Area	Andhra Pradesh	SPSR Nellore District	0.78	Yes	-	-
5	Monitoring of Health Projects	Item (i)	Local Area	Andhra Pradesh	SPSR Nellore District	0.70	Yes	-	-
Total Amount Spent for Healthcare (B)						**31.51**			
SKILL AND ENTREPRENEURSHIP DEVELOPMENT PROGRAMS FOR WOMEN AND YOUTH									
1	Monitoring of Skill and Entrepreneurship Development Projects	Item (ii)	Local Area	Andhra Pradesh	SPSR Nellore District	0.37	Yes	-	-
Total Amount Spent for Skill and Entrepreneurship Development (C)						**0.37**			

OTHERS- AFFORESTRATION PROJECTS FOR ENVIRONMENT SUSTAINABILITY AND CLEAN ENERGY PROMOTION PROJECTS

(₹ In Million)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
1	Clean Energy Initiative- Providing Solar Rooftop Panels 60KWP to public utility place	Item (iv)	Local Area	Andhra Pradesh	SPSR Nellore District	1.37	Yes	-	-
Total amount spent on Others (D)						**1.37**			
TOTAL CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS (A+B+C+D)						**36.22**			

d) **Amount spent in Administrative Overheads – Nil**

(e) **Amount spent on Impact Assessment, if applicable - NA**

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 52.61 Million**

(g) **Excess amount for set off if any**

S. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	56.11 million*
(ii)	Total amount spent for the Financial Year	52.61 million
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.03 million
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.03 million

*Total CSR Obligations for the year (after adjusting set off of excess amount from FY 2020-21 of ₹ 3.53 million) is 52.58 million

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

Sr. 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.	
Not Applicable							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. 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.
Not Applicable								

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).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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) - Not Applicable

Sd/-
Vipul Tuli
(Managing Director)

Sd/-
K. Jairaj
(Chairman CSR Committee)

Date: August 03, 2022
Place: Gurugram

Standalone Financial Statements

80-147

Independent Auditor's Report

To the Members of **Sembcorp Energy India Limited**

Report on the audit of the standalone financial statements.

Opinion

1. We have audited the accompanying standalone financial statements of Sembcorp Energy India Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of the carrying value of property, plant and equipment and goodwill relating to SEIL-P2 (Refer note 2.2 to the standalone financial statements) The carrying value of property, plant and equipment (PP&E) and goodwill relating to SEIL-P2 which was acquired by the Company in an earlier year amounts to Rs. 79,407.83 million and Rs. 1,234.20 million respectively as at March 31, 2022. The said PP&E are carried at cost less accumulated depreciation. At the end of every reporting period, the Company assesses their carrying values and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', if there is any indication of impairment to the carrying value. Goodwill is carried at cost and is tested annually for impairment. As mentioned in the note 2.2, the Management considers the said PP&E and goodwill as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. During the year, the Company has carried out an impairment assessment by estimating the recoverable amount of the CGU using discounted cash flow model	Our procedures included the following: • Obtained an understanding of the design and tested the operating effectiveness of the key controls surrounding impairment assessment. • Evaluated the Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Company's determination of CGU was consistent with our knowledge of the Company's operations. • Evaluated the cash flow forecasts from our understanding of the internal and external factors, compared them to the budgets, actual past results and other supporting documents. • With the involvement of auditor's experts, assessed the reasonableness of the methodology used, key assumptions considered in the discounted cash flow projections for determining the recoverable value of the CGU. • Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the mathematical accuracy of the computations included in the discounted cash flow projections.

Key audit matter	How our audit addressed the key audit matter
over the remaining useful life of the CGU and comparing the same with its carrying value. Based on their assessment, the management concluded that no provision for impairment was necessary as at March 31, 2022. We considered this a key audit matter given the significance of the carrying value of PP&E and goodwill belonging to the CGU, estimations and the significant judgements involved in respect of key inputs like discount rate, future cash flows for the purpose of impairment assessment.	• Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the mathematical accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosures in the standalone financial statements. Based on the above procedures performed, management's assessment of carrying value of PP&E and goodwill relating to SEIL-P2 are considered to be reasonable.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

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

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

Auditor's responsibilities for the audit of the standalone financial statements

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

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

   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

13. The standalone financial statements of the Company for the year ended March 31, 2021, were audited by another firm of chartered accountants under the Act who, vide their report dated May 24, 2021, expressed an unmodified opinion on those standalone financial statements.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

    (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 2.28 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts – Refer note 2.13 to the standalone financial statements. The Company did not have any long-term contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 2.53 to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 2.54(ix) to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared/ paid any dividend during the year.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQPWA9691

Place: Gurugram
Date : May 26, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Sembcorp Energy India Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Sembcorp Energy India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQPWA9691

Place: Gurugram
Date : May 26, 2022

Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Sembcorp Energy India Limited on the standalone financial statements as of and for the year ended March 31, 2022

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 2.1 to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Rupees in millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Total Reason for not being held in the name of the Company
Freehold land	43.93	Nelcast Energy Corporation Limited & Sembcorp Gayatri Power Limited (SGPL)	No	Since July 09, 2010	Title deeds of entire land in the name of Nelcast Energy Corporation Limited & SGPL were transferred to SEIL by virtue of merger order pursuant to the scheme of amalgamation of SGPL into SEIL. However, in respect of land of Acres 48.535 cents is pending for mutation in the name of the Company due to certain disputes and also administrative delays.
Freehold land	36.72	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	Since April 08, 2013	As per the terms of agreement for sale of land entered by NCC Power Projects Limited (erstwhile SGPL) with APIIC, the sale deed was to be executed after commissioning the plant. However, the said sale deed is yet to be executed in the name of the Company on account of certain administrative delays.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. Refer note 2.17 to the standalone financial statements.

iii. (a) The Company has, during the year, not made any investments, granted secured/ unsecured loans/ advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, income tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 2.28 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute. The particulars of dues of income tax, service tax, goods and services tax and entry tax as at March 31, 2022

Name of the statute	Nature of dues	Amount of demand without netting off amount paid under protest (Rupees in millions)	Amount paid under protest (Rupees in millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax and interest	82.71	30.44	AY 2012-13	Hon'ble High Court of Telangana
Income Tax Act, 1961	Income tax and interest	548.75	181.81	AY 2013-14, AY 2014-15, AY 2015-16, AY 2016-17	Commissioner of Income-tax, Appeals
Income Tax Act, 1961	Income tax and interest	115.87	23.17	AY 2017-18, AY 2018-19	Deputy Commissioner of Income tax, Appeals
Telangana Tax on Entry of Goods into local areas Act, 2001	Entry tax	43.30	15.15	FY 2013-15	Deputy Commercial Tax officer
AP Entry of Goods into local areas Act, 2001	Entry tax	107.32	13.41	FY 2015-17	Appellate Deputy Commissioner, Tirupati and Hon'ble High Court of Andhra Pradesh
The Finance Act, 1994	Service tax	798.14	59.89	FY 2016-17	Central Excise and Service tax Appellate Tribunal, Hyderabad
AP GST Act, 2017	Goods and Service tax	1,108.27	-	FY 2017-18, FY 2018-19	Assistant Commissioner (State Tax), Nellore

The above amounts contain interest and penalty wherever included in the order issued by the relevant authorities to the Company.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer note 2.12 to the standalone financial statements).

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer note 2.40 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act.

(b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Details are as given below:

Financial year	Amount to be spent in accordance with section 135(5)	Amount remaining unspent as at the year-end to be transferred special account u/s 135(6)	Amount transferred to Special Bank Account u/s 135(6), within 30 days from end of financial year (or till the date of audit report, if that is earlier)	Amount transferred to Special Bank Account u/s 135(6), after a period of 30 days from end of financial year (till the date of audit report)	Amount not transferred to Special Bank Account u/s 135(6), till the date of audit report
(a)	**(b)**	**(c)**	**(d)**	**(e)**	**(f)**
2021-22	52.58	12.04	12.04	-	-

(Also refer note 2.36 to the standalone financial statements)

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQPWA9691

Place: Gurugram
Date : May 26, 2022

Standalone Balance Sheet

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	149,039.66	153,204.90
Capital work-in-progress	2.1	159.48	599.41
Goodwill	2.2	1,234.20	1,234.20
Other intangible assets	2.2	9.95	12.19
Financial assets			
Investments	2.7	2.92	54,770.14
Other financial assets	2.3	2,822.69	3,998.19
Non-current tax assets	2.4	977.66	835.92
Other non-current assets	2.5	320.58	288.23
Total non-current assets		**154,567.14**	**214,943.18**
Current assets			
Inventories	2.6	7,322.49	4,580.62
Financial assets			
Investments	2.7	2,471.30	2,483.27
Trade receivables	2.8	38,606.90	32,520.20
Cash and cash equivalents	2.9	4,757.98	1,899.04
Bank balances other than cash and cash equivalents	2.9	2,039.50	1,959.34
Other financial assets	2.3	23.40	1,692.71
Other current assets	2.5	6,267.80	2,817.96
Total current assets		**61,489.37**	**47,953.14**
Total assets		**216,056.51**	**262,896.32**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10	54,336.69	54,336.69
Other equity	2.11	56,656.44	55,245.28
Total equity		**110,993.13**	**109,581.97**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	2.12	69,672.98	104,897.70
Lease liabilities	2.31	43.90	58.46
Other financial liabilities	2.13	-	5,956.52
Provisions	2.14	108.17	61.85
Deferred tax liabilities (net)	2.15	867.36	-
Total non-current liabilities		**70,692.41**	**110,974.53**
Current liabilities			
Financial liabilities			
Borrowings	2.17	15,316.02	27,474.87
Lease liabilities	2.31	17.49	14.31
Trade payables	2.18		
Dues to micro and small enterprises		13.42	1.32
Dues to creditors other than micro and small enterprises		4,850.69	1,853.12
Other financial liabilities	2.13	8,210.25	8,159.91
Other current liabilities	2.16	5,803.72	4,489.77
Provisions	2.14	9.90	10.03
Current tax liabilities (net)	2.19	149.48	336.49
Total current liabilities		**34,370.97**	**42,339.82**
Total liabilities		**105,063.38**	**153,314.35**
Total equity and liabilities		**216,056.51**	**262,896.32**

Significant accounting policies **1**

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone Balance Sheet referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Standalone Statement of Profit and Loss

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	2.20	76,891.00	73,674.19
Other income	2.21	1,421.70	4,108.20
Total income		**78,312.70**	**77,782.39**
Expenses			
Cost of fuel	2.22	46,729.68	40,519.73
Transmission charges	2.23	3,113.82	2,378.99
Employee benefits expense	2.24	2,476.57	1,652.37
Finance costs	2.25	10,892.72	13,398.03
Depreciation and amortisation expenses	2.26	6,692.40	7,457.84
Operating and other expenses	2.27	3,862.29	3,655.31
Total expenses		**73,767.48**	**69,062.27**
Profit before exceptional items and tax		**4,545.22**	**8,720.12**
Exceptional Item (refer note 2.48)		2,446.02	-
Profit before tax		**2,099.20**	**8,720.12**
Tax expense			
Pertaining to current year		-	-
Adjustment relating to earlier years	2.38	(252.15)	-
Deferred tax expense	2.38	927.70	-
Total tax expense		**675.55**	**-**
Profit after tax		**1,423.65**	**8,720.12**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligations		(44.20)	(2.46)
Income tax effect on above item		-	-
		(44.20)	**(2.46)**
Items that will be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedge		157.47	557.14
Cost of hedging reserve – changes in fair value		(31.46)	-
Income tax effect on above item		60.34	-
		186.35	**557.14**
Total comprehensive income for the year		**1,565.80**	**9,274.80**
Earnings per equity share (face value of share Rs.10 each)			
- Basic and diluted (Rs.)	2.30	0.26	1.60

Significant accounting policies **1**

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone Statement of Profit and Loss referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Standalone Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flow from operating activities		
Profit before tax	2,099.20	8,720.12
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	6,692.40	7,457.84
Finance costs	10,892.72	13,398.03
Allowance for expected credit losses	462.62	217.89
Interest income on bank deposits	(264.67)	(363.80)
Property, plant and equipment written off	0.26	23.99
Unrealised loss on derivatives	-	39.44
Net gain on fair value changes classified as FVTPL	(81.62)	(76.59)
Net unrealised loss/ (gain) on foreign exchange differences	114.07	(110.49)
Exceptional Item (refer note 2.48)	2,446.02	-
Doubtful receivables and advances written off	-	5.06
Operating cash flows before working capital changes	**22,361.00**	**29,311.49**
(Increase)/decrease in inventories	(2,741.87)	3,100.28
(Increase) in trade receivables	(6,548.47)	(6,528.94)
(Increase)/in financial and non-financial assets including derivative assets and liabilities	(675.59)	(709.81)
Increase/(decrease) in trade payable, other financial liabilities and current liabilities	3,659.43	(4,565.20)
Increase in provisions	1.99	12.72
Cash generated from operations	**16,056.49**	**20,620.54**
Income-tax paid (net of refund)	(76.60)	(48.94)
Net cash generated from operating activities (A)	**15,979.89**	**20,571.60**
Cash flows from investing activities		
Payment for purchase of property, plant and equipment and capital work-in-progress	(2,113.01)	(557.15)
Proceeds from sale of property, plant and equipment	0.51	2.09
Interest income received on bank deposits	330.17	489.89
(Investment in)/maturity of bank deposits, net	(80.16)	2,308.06
Redemption/(purchase) of mutual funds, net	93.59	(1,241.99)
Proceeds from sale of investment in subsidiary	52,321.20	-
Net cash generated from / (used in) investing activities (B)	**50,552.30**	**1,000.90**
Cash flows from financing activities		
Proceeds from long-term borrowings	12,150.00	-
Repayment of long-term borrowings	(46,178.64)	(4,621.22)
Repayment of short-term borrowings, net	(12,157.37)	(4,632.64)
Repayment of lease liabilities	(17.79)	(18.38)
Finance cost paid	(17,469.45)	(12,055.30)
Net cash used in financing activities (C)	**(63,673.25)**	**(21,327.54)**
Net increase in cash and cash equivalents (A+B+C)	2,858.94	244.96
Cash and cash equivalents at the beginning of the year	1,899.04	1,654.08
Cash and cash equivalents at the end of the year	**4,757.98**	**1,899.04**

Standalone Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Components of cash and cash equivalents:		
Balance with scheduled banks		
On current accounts	443.17	167.43
Deposits with original maturity of less than three months	4,314.81	1,731.61
Total cash and cash equivalents	**4,757.98**	**1,899.04**

Significant accounting policies **1**

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

This is the Standalone Cash Flow Statement referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Standalone Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 1, 2020	5,433,668,574	54,336.69
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2021	**5,433,668,574**	**54,336.69**
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2022	**5,433,668,574**	**54,336.69**

B. Other Equity

Particulars	Reserves and surplus					Other comprehensive income			Total
		Other reserve							
	Securities premium	Capital reserve on amalgamation	Fair value of interest free INR denominated notes from holding company	Share-based payments reserve	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging	
Balance as at April 1, 2020	40,207.03	16,013.56	1,155.42	-	(11,014.07)	(27.40)	(598.78)	-	45,735.76
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2020	40,207.03	16,013.56	1,155.42	-	(11,014.07)	-	(598.78)	-	45,763.16
Profit for the year	-	-	-	-	8,720.12	-	-	-	8,720.12
Remeasurement of post-employment benefit obligations	-	-	-	-	-	(2.46)	-	-	(2.46)
Other comprehensive income/(loss)	-	-	-	-	-	-	557.14	-	557.14
Fair value of interest free INR denominated notes from holding company	-	-	234.72	-	-	-	-	-	234.72
	-	**-**	**234.72**	**-**	**8,720.12**	**(2.46)**	**557.14**	**-**	**9,509.52**
Balance as at March 31, 2021	**40,207.03**	**16,013.56**	**1,390.14**	**-**	**(2,293.95)**	**(29.86)**	**(41.64)**	**-**	**55,245.28**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2021	**40,207.03**	**16,013.56**	**1,390.14**	**-**	**(2,293.95)**	**(29.86)**	**(41.64)**	**-**	**55,245.28**

Standalone Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

B. Other Equity (Contd.)

Particulars	Reserves and surplus					Other comprehensive income			Total
		Other reserve							
	Securities premium	Capital reserve on amalgamation	Fair value of interest free INR denominated notes from holding company	Share-based payments reserve	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging	
Profit for the year	-	-	-	-	1,423.65	-	-	-	1,423.65
Share-based payments charged to profit or loss	-	-	-	136.20	-	-	-	-	136.20
Adjustment for recharge for share-based payments	-	-	-	6.86	-	-	-	-	6.86
Remeasurement of post-employment benefit obligations	-	-	-	-	-	(44.20)	-	-	(44.20)
Other comprehensive income/(loss)	-	-	-	-	-	-	128.31	58.04	186.35
Fair value of interest free INR denominated notes from holding company	-	-	(297.70)	-	-	-	-	-	(297.70)
	-	-	(297.70)	143.06	1,423.65	(44.20)	128.31	58.04	1,411.16
Balance as at March 31, 2022	**40,207.03**	**16,013.56**	**1,092.44**	**143.06**	**(870.30)**	**(74.06)**	**86.67**	**58.04**	**56,656.44**

Significant accounting policies **1**

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone statement of changes in equity referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Wong Kim Yin
Chairman
DIN: 08806258

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Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Place: Gurugram
Date: 26 May 2022

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Corporate information

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

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

1. Basis of preparation, measurement and significant accounting policies

1.1 Basis of preparation and statement of compliance

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

These financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2022.

The financial statements were authorised for issue by the Company's Board of Directors on May 26, 2022.

1.2 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR) rounded off to the nearest million to two decimal places except when otherwise indicated, which is the functional and presentation currency of the Company.

1.3 Basis of measurement

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

- Certain financial assets and liabilities and contingent consideration is measured at fair value
- Financial instruments comprising mutual funds,
- Derivatives instruments i.e. cross currency swap, interest rate swaps, forward contracts and options,
- Defined benefit plans - plan assets

1.4 New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial
- Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.
- The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.5 New amendments issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards.

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. Below is a summary of such amendments:

Title	Key requirements
Ind AS 16, Property, Plant and Equipment	Proceeds before intended use of property, plant and equipment The amendment clarifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Title	Key requirements
Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets	Onerous Contracts – Cost of fulfilling a contract The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.
Ind AS 103, Business combinations	References to the conceptual framework The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
Ind AS 109, Financial Instruments	Fees included in the 10% test for derecognition of financial liabilities The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

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

1.6 Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021, to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the current maturities of long-term borrowings has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings were included in 'other financial liabilities' line item.

Lease liabilities has now been reported separately on the face of the balance sheet, which was previously classified under 'other financial liabilities'.

Unbilled receivables have now been included in "Trade receivables" which was previously classified under 'other financial assets.

1.7 Use of estimates and judgements

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

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

i. Impairment of investments in subsidiaries

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

ii. Impairment of trade receivable and unbilled receivables

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

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

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

iv. Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

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

v. Defined benefit plans

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

vi. Provisions and contingent liabilities

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

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

vii. Leases

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

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

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

viii. Fair value measurement of financial instruments

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

ix. Impairment of property, plant and equipment

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

1.8 Current and non-current classification

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

Assets

An asset is classified as current when it satisfies any of the following criteria:

i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

ii) it is held primarily for the purpose of being traded.

iii) it is expected to be realised within 12 months after the reporting date; or

iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i) it is expected to be settled in the Company's operating cycle.

ii) it is held primarily for the purpose of being traded.

iii) it is due to be settled within 12 months after the reporting date; or

iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

1.9 Revenue recognition

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

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

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Comp fulfils its performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade Receivables

A receivable represents the company right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract Liabilities in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognised as revenue when the Company performs under the contract

Income from power generation

Revenue from the sale of electricity is recognised from the time when production output is delivered to the power network. Revenue from energy units sold as per the terms of the Power Purchase Agreements ('PPA') and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled receivables accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.

Revenue/charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognised/ charged at rates notified by Central Electricity Regulatory Commission ('CERC') from time to time as revenue from sale of electricity and adjusted with revenue from sale of electricity.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

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

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

Claims i.e. late payment interest/surcharge recoverable from customer, insurance claims and liquidated damages, are accounted for to the extent the Company is reasonably certain of their ultimate collection.

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

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

1.10 Property, plant and equipment and depreciation

i. Recognition and measurement

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

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

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

Fiscal benefits as available under various industrial promotional schemes are presented by deducting from the carrying amount of the PPE when there is a reasonable assurance that the Company will comply with the conditions attached to the benefit.

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

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. Subsequent expenditure

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

iii. Depreciation

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

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

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	30 years
Office equipments	5 years	3 years to 5 years

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Category	Life as per Schedule II	Life considered
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate and the residual values are not more than 5% of the original cost of the asset

iv. Disposals

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

1.11 Intangible assets

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

Category	Life considered
Computer software	3 years

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

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

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

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

1.12 Inventories

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

Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

1.13 Foreign currency transactions

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

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

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

1.14 Employee benefits

Short-term employee benefits

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

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans, if the Company has a

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present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Company recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Defined benefit plans:

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

Defined contribution plans:

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

Compensated absences:

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

Bonus plans:

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

Share based payment transactions:

The Company has not issued any shares / stock options on its shares. The ultimate holding company has however issued certain options on its own shares to certain employees of the Company which are in the nature of equity settled awards. Share-based payment expenses are recognised over the period during which the employees provide the relevant services. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

1.15 Borrowing costs

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

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

Interest expense on borrowings is recorded using the effective interest rate (EIR). EIR is the rate that discounts the

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estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

1.16 Financial instruments

i. Recognition and initial measurement

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

ii. Financial assets - Classification and subsequent measurement:

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss

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

iii. Financial liabilities - Classification and subsequent measurement:

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

a) Financial liabilities at FVTPL

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

b) Other financial liabilities

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

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

iv. De-recognition of financial instruments

a) Financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks

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and rewards of ownership and does not retain control of the financial asset.

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

b) Financial liability

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

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

v. Offsetting

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

1.17 Fair value of financial instruments

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

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

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

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

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

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

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

1.18 Derivative financial instruments and hedge accounting

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

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

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

In case of certain forward exchange contracts, the Company designates only the changes in fair value of the spot element of a forward contract as a hedging instrument. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

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

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

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fair value through profit or loss and the resulting gains or losses are included in the consolidated statement of profit and loss.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

ii. Cash flow hedge accounting

Where a derivative is designated as a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised directly in other comprehensive income and presented in the hedge reserve in equity. The ineffective portion of changes in the fair values of the derivative is recognised immediately in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

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

1.19 Impairment

i. Financial assets (other than at fair value)

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

The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

ii. Non-financial assets

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

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

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

1.20 Investment in subsidiaries

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

1.21 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract

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conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset

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

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

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

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

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

1.22 Income taxes

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

i. Current tax

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

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

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

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

a) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

b) Temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

c) Taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

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

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

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

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

1.23 Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

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

1.24 Earnings per share

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

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

1.25 Cash flow statement

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

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1.26 Cash and cash equivalents

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

1.27 Business combinations

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

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

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

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

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

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

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

ii. **Common control business combinations**

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

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

Particulars	Freehold Land	Roads	Right of use assets (refer note no 2.31)	Office buildings	Factory buildings	Furniture and fittings	Vehicles	Office equipment	Electrical installations	Plant and equipment	Computers	Total	Capital work-in-progress
Gross carrying amount													
Balance as at April 1, 2020	2,442.04	2,317.81	738.24	1,526.59	790.55	112.90	79.59	126.77	95.93	181,465.53	110.82	189,806.77	722.70
Additions	171.06	-	18.52	0.27	5.53	0.11	9.14	2.99	-	424.97	16.79	649.38	479.57
Disposals	-	-	(4.79)	(10.20)	-	(22.43)	(1.16)	(16.25)	-	(10.18)	(10.12)	(75.13)	(0.88)
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	(601.98)
Balance as at March 31, 2021	**2,613.10**	**2,317.81**	**751.97**	**1,516.66**	**796.08**	**90.58**	**87.57**	**113.51**	**95.93**	**181,880.32**	**117.49**	**190,381.02**	**599.41**
Additions	21.27	-	2.85	-	3.14	0.11	2.69	10.21		2,470.01	12.10	2,522.38	498.79
Disposals	-	-	(23.02)	-	-	-	(1.68)	-	-	-	(5.25)	(29.95)	-
Capitalised during the period	-	-	-	-	-	-	-	-	-	-	-	-	(938.72)
Balance as at March 31, 2022	**2,634.37**	**2,317.81**	**731.80**	**1,516.66**	**799.22**	**90.69**	**88.58**	**123.72**	**95.93**	**184,350.33**	**124.34**	**192,873.45**	**159.48**
Accumulated depreciation													
Balance as at April 1, 2020	-	961.99	65.86	104.37	130.31	42.26	33.22	109.36	60.64	28,186.74	73.22	29,767.97	-
Depreciation for the year	-	197.33	12.88	29.76	25.92	11.19	10.11	9.40	13.43	7,124.30	20.81	7,455.13	-
Disposals	-	-	(2.72)	(0.91)	-	(14.68)	(0.66)	(15.39)	-	(3.01)	(9.61)	(46.98)	-
Balance as at March 31, 2021	**-**	**1,159.32**	**76.02**	**133.22**	**156.23**	**38.77**	**42.67**	**103.37**	**74.07**	**35,308.03**	**84.42**	**37,176.12**	**-**
Depreciation for the year	-	188.66	27.38	29.64	23.36	9.76	10.00	4.93	7.79	6,370.73	15.03	6,687.28	-
Disposals	-	-	(23.02)	-	-	-	(1.60)	-	-		(4.99)	(29.61)	-
Balance as at March 31, 2022	**-**	**1,347.98**	**80.38**	**162.86**	**179.59**	**48.53**	**51.07**	**108.30**	**81.86**	**41,678.76**	**94.46**	**43,833.79**	**-**
Net block													
As at March 31, 2021	**2,613.10**	**1,158.49**	**675.95**	**1,383.44**	**639.85**	**51.81**	**44.90**	**10.14**	**21.86**	**146,572.29**	**33.07**	**153,204.90**	**599.41**
As at March 31, 2022	**2,634.37**	**969.83**	**651.42**	**1,353.80**	**619.63**	**42.16**	**37.51**	**15.42**	**14.07**	**142,671.57**	**29.88**	**149,039.66**	**159.48**

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

Note 2: Refer note 2.12 and 2.17 for assets pledged against the borrowings of the Company and Refer note 2.28 for Contractual commitments/ obligations.

Note 3: Title deeds of certain portions of land in the name of the Company are under dispute. In respect of such disputes, the Company has been legally advised that it has valid title in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property (refer note 2.28).

Note 4: During the year, the management has carried out a review of useful life of its Thermal Power Plant assets and determined the revised useful life to be 30 years from 25 years based on a technical assessment performed by an external consultant. This is considered as change in estimate and accounted prospectively from October 01, 2021 onwards. As a result of this change, the depreciation expense for the current year has reduced by Rs. 685.76 million, while annual depreciation will be reduced Rs. 1,375.29 million from FY 22-23 onwards.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.2 Other intangible assets and Goodwill

Particulars	Other intangible assets (Softwares)	Goodwill
Gross carrying amount		
Balance as at April 1, 2020	95.97	1,234.20
Additions	14.37	-
Disposals	-	-
Balance as at March 31, 2021	**110.34**	**1,234.20**
Additions	2.88	-
Disposals	-	-
Balance as at March 31, 2022	**113.22**	**1,234.20**
Accumulated amortisation		
Balance as at April 1, 2020	95.44	-
Amortisation for the year	2.71	-
Balance as at March 31, 2021	**98.15**	**-**
Amortisation for the year	5.12	-
Balance as at March 31, 2022	**103.27**	**-**
Net block		
As at March 31, 2021	**12.19**	**1,234.20**
As at March 31, 2022	**9.95**	**1,234.20**

Assessment of the carrying value of goodwill and property, plant and equipment relating to SEIL-P2:

The carrying value of property, plant and equipment (PPE) and goodwill relating to SEIL-P2 which was acquired by the Company in an earlier year amounting to Rs 79,407.83 million (March 31, 2021: Rs 80,826.71 million) and Rs 1,234.20 (March 31, 2021: Rs 1,234.20 million) respectively.

The goodwill represents the excess of consideration paid over the net assets acquired under the Scheme of Amalgamation of 'Nelcast Energy Corporation Limited (Nelcast)' with Sembcorp Gayatri Power Limited (SEIL-P2) approved by the High Court of Madras on October 12, 2011. Nelcast was the 100% subsidiary of SEIL-P2. The Company opted to apply Ind AS 103 exemption for the business combinations which occurred prior to transition into Ind AS and accordingly, amalgamation of Nelcast with the Company and the resultant Goodwill has not been restated.

The said PPE and goodwill are considered as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. The recoverable amount of the said CGU is based on discounted value of estimated cash flows over the remaining useful life of 25 years.

Revenue, plant load factor, coal prices, margins and cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by the management. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles.

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

Assumption	Basis
Cash flow projections period	Remaining useful life of PPE assumed 25 years (March 31, 2021: 21 years) Refer note 2.1 for change in useful of PPE"
Weighted average cost of capital % (WACC) post tax	9.38% (March 31, 2021: 9.70%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

As at March 31, 2022 the estimated recoverable amount of the CGU exceeds its carrying amount and accordingly no adjustment is required to such carrying amount. The management has also performed sensitivity analysis of the key assumptions applied and no impairment would need to be recognised in the event of a reasonable change in the underlying key assumptions as there exists significant headroom between the recoverable amount and carrying amount.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.3 Other financial assets

(Unsecured, considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Security deposits	10.67	16.94
Others:		
Margin money deposits and other deposits with banks*	2,745.35	3,830.37
Interest accrued on bank deposits	66.67	150.88
	2,822.69	**3,998.19**
Current		
Derivative assets on fair valuation of financial instruments^		
Derivative designated as cash flow hedge		
- Fair value of cross currency interest rate swaps	-	1067.52
- Fair value of commodity hedge contracts	-	251.86
Derivatives not designated as cash flow hedge		
- Fair value of forward contracts	-	0.51
Others:		
Interest accrued on bank deposits	23.40	4.69
Premium on forward contracts	-	325.06
Other receivables	-	43.07
	23.40	**1,692.71**

"* includes reserved against margin money for bank guarantees, other commitments and debt service reserves on long-term borrowings.
^ The Company exposure to currency and liquidity risk related to above derivative assets are disclosed in note 2.41"

2.4 Non-current tax assets

(Unsecured, considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income taxes	977.66	835.92
	977.66	**835.92**

2.5 Other assets

(Unsecured, considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Capital advances	183.17	155.88
Less: Provision for capital advance	(5.06)	(5.06)
Balance with government authorities paid under protest (refer note 2.28)	119.98	119.98
Contribution to gratuity fund (refer note 2.34)	-	15.29
Prepayments	22.49	2.14
	320.58	**288.23**
Current		
Advance to suppliers and service providers	3,291.59	793.67
Balance with government authorities (refer note 2.45)	2,527.95	1,547.44
Prepayments	448.26	476.85
	6,267.80	**2,817.96**

During the year ended March 31, 2022 and March 31, 2021, the company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries"
The Company has not given any loans or advances in the nature of loans to any firms/ companies, in which Directors are interested.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.6 Inventories

(Valued at lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Fuel*	5,053.01	2,493.59
Stores and spares	2,269.48	2,087.03
	7,322.49	**4,580.62**

* includes materials-in-transit amounting to Rs.3,244.39 million, (March 31, 2021: Rs. 1,065.38 million).

2.7 Investments

Particulars	Number of shares/ units		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
A) Non-current investments:				
Investments in subsidiaries				
(Unquoted, valued at cost unless stated otherwise)				
Equity instruments:				
TPCIL Singapore Pte Limited	49,000	49,000	2.92	2.92
Sembcorp Green Infra Limited (refer note 2.48)	-	349,210,001	-	54,767.22
			2.92	**54,770.14**
B) Current investments:				
Quoted, debt securities				
Mutual fund securities valued at FVTPL				
UTI Liquid Cash Fund - Direct Plan - Growth	144,422	153,836	503.75	518.50
Axis Liquid Fund - Direct Plan - Growth	184,487	210,016	436.14	479.84
SBI Liquid Fund - Direct Plan - Growth@	148,770	144,528	495.86	465.61
Nippon India Liquid Fund - Direct Plan - Growth	96,973	100,611	505.04	506.34
IDFC Cash Fund - Direct Plan - Growth	206,348	206,348	530.51	512.98
			2,471.30	**2,483.27**

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate fair value of unquoted investments	2.92	54,770.14
Aggregate fair value and market value of quoted investments	2,471.30	2,483.27
Aggregate provision for impairment in value of investments	-	-

@ It includes Rs.70.41 million invested from sale of fly ash and in future these funds will be used for pollution control related activities.

2.8 Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivable - unsecured, considered good		
- Billed	34,576.81	27,130.66
- Unbilled^	5,034.10	5,930.93
Less: allowance for expected credit loss	(1,004.01)	(541.39)
Total receivables	**38,606.90**	**32,520.20**
Current portion	38,606.90	32,520.20
Non-current portion	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.8 Trade receivables (Contd.)

Particulars	As at March 31, 2022	As at March 31, 2021
Break-up of security details		
Trade receivables considered good – secured	-	-
Trade receivables considered good – unsecured*	39,610.91	33,061.59
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	39,610.91	33,061.59
Loss allowance	(1,004.01)	(541.39)
Total trade receivables	**38,606.90**	**32,520.20**

^The receivable is 'unbilled' because the company has not yet issued an invoice to the customer, however, the balance has been included under trade receivables as it is an unconditional right to consideration.

* includes receivables against which the company holds revolving letter of credit from two customers

Aging of trade receivables as on March 31, 2022

Details	Outstanding for following periods from the due date of receipt						
	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
considered good	5,034.10	20,540.69	7,227.33	6,121.41	5.66	681.72	39,610.91
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed trade receivables	-	-	-	-	-	-	-
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	**5,034.10**	**20,540.69**	**7,227.33**	**6,121.41**	**5.66**	**681.72**	**39,610.91**

Aging of trade receivables as on March 31, 2021

Details	Outstanding for following periods from the due date of receipt						
	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
considered good	5,930.93	19,386.52	6,439.84	611.21	489.04	204.05	33,061.59
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	**5,930.93**	**19,386.52**	**6,439.84**	**611.21**	**489.04**	**204.05**	**33,061.59**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.8 Trade receivables (Contd.)

Notes:

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

(ii) The Company's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 2.41

(iii) The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Company considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost. The relevant carrying amounts are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Total transferred trade receivables	2,990.48	-
Associated secured borrowing (refer note 2.17)	2,990.48	-

2.9 Cash and bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents:		
Balance with banks:		
On current accounts	443.17	167.43
Deposits with original maturity of less than three months	4,314.81	1,731.61
	4,757.98	**1,899.04**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date	2,039.50	1,959.34
	2,039.50	**1,959.34**

2.10 Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
Equity shares		
15,000,000,000 (March 31, 2021: 15,000,000,000) number of equity shares of Rs.10 each	150,000.00	150,000.00
	150,000.00	**150,000.00**
Issued, Subscribed and fully paid up		
5,433,668,574 (March 31, 2021: 5,433,668,574) number of equity shares of Rs.10 each, fully paid up (refer note below)	54,336.69	54,336.69
	54,336.69	**54,336.69**

Notes:

643,970,442 (March 31, 2021: 643,970,442) and 408,480,080 (March 31, 2021: 408,480,080) number of equity shares of Rs. 10 each, fully paid-up are pledged against secured term loans availed from banks by SEIL-P1 & SEIL-P2 respectively.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.10 Equity share capital (Contd.)

(i) Movements in equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	5,433,668,574	54,336.69	5,433,668,574	54,336.69
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

(ii) Shares of the company held by holding company

Particulars	As at March 31, 2022	As at March 31, 2021
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,433,668,574	5,433,668,574

(iii) Details of shareholders holding more than 5% shares in the company

Name of shareholders	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,433,668,574	100.00%	5,433,668,574	100.00%

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

(iv) Details of shareholding of promoters

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Percentage of total number of shares	Number of shares	Percentage of total number of shares
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,433,668,574	100.00%	5,433,668,574	100.00%

There is no change in the share holding held by the promoters during the current year.

Terms and rights attached to equity shares:

Equity shares of the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date:

During the year ended March 31, 2018, the Company has issued 2,568,750,000 number of equity shares of Rs. 10 each fully paid at a premium of Rs. 8.80 per share to Sembcorp Utilities Pte Ltd as a consideration of acquisition of Sembcorp Gayatri Power Limited and Sembcorp Green Infra Limited in the said year.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.11 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium		
Balance at the beginning of the year	40,207.03	40,207.03
Add: Additions during the year	-	-
Balance at end of the year	**40,207.03**	**40,207.03**
Capital reserve on amalgamation		
Balance at the beginning of the year	16,013.56	16,013.56
Add: Additions during the year	-	-
Balance at end of the year	**16,013.56**	**16,013.56**
Fair value of interest free INR denominated notes from holding company		
Balance at the beginning of the year	1,390.14	1,155.42
Add/ deletions: Additions during the year	(297.70)	234.72
Balance at end of the year	**1,092.44**	**1,390.14**
Share-based payments reserve		
Balance at the beginning of the year	-	-
Add: Share-based payments charged to profit or loss	136.20	-
Add: Adjustment for recharge for share-based payments	6.86	-
Balance at end of the year	**143.06**	**-**
Retained earnings		
Balance at the beginning of the year	(2,293.95)	(11,014.07)
Add: Profit for the year	1,423.65	8,720.12
Balance at end of the year	**(870.30)**	**(2,293.95)**

Other comprehensive income (OCI)

Particulars	As at March 31, 2022	As at March 31, 2021
Remeasurement of post-employment benefit obligations		
Balance at the beginning of the year	(29.86)	(27.40)
Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	(44.20)	(2.46)
Balance at the end of the year	**(74.06)**	**(29.86)**
Effective portion of cash flow hedges		
Balance at the beginning of the year	(41.64)	(598.78)
Add: Change in fair value, net of tax	128.31	557.14
Balance at the end of the year	**86.67**	**(41.64)**
Hedge Reserve - cost of Hedging		
Balance at the beginning of the year	-	-
Add: Change in fair value, net of tax	58.04	-
Balance at the end of the year	**58.04**	**-**
Total Other Equity	**56,656.44**	**55,245.28**

Securities premium

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

Capital reserve on amalgamation

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.11 Other equity (Contd.)

Other reserves

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

Retained earnings

Retained earnings mainly represents all current and prior periods profits as disclosed in the statement of profit and loss less dividend distribution, transfers to general reserve.

Other comprehensive income (OCI)

Effective portion of cash flow hedges

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

Remeasurement of post-employment benefit obligations

Remeasurement of post-employment benefit obligations represents remeasurement gain/(loss) relating of post-employment benefit obligations.

Hedge reserve-Cost of Hedging

This mainly represents the net change in fair value of forward element of the hedging instrument.

2.12 Long term Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured From banks		
Rupee term loans	54,290.83	34,962.86
Foreign currency non repatriable (FCNR) term loan*	15,382.15	27,534.84
Unsecured From related party (refer note 2.42)		
INR denominated notes	-	42,400.00
	69,672.98	**104,897.70**

Note: All loans have been used for specific purpose for which it was drawn.

* As on March 31, 2021, the Company had converted Rupee term loan of Rs. 26,589.25 million of SEIL-P1 for a period of 365 days and Rupee term loan of Rs. 1,850.00 million of SEIL-P2 into FCNR Loans for a period 364 days. As on March 31, 2022, the Company had converted Rupee term loan of Rs. 16,513.18 million of SEIL-P1 for a period of 90 to 363 days.

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

a) Rupee term loans and FCNR term loans:

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

1. First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh.

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

3. Pledge of 643,970,442 (March 31, 2021: 643,970,442) fully paid equity shares of Rs. 10 each held by the holding Company.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.12 Long term Borrowings (Contd.)

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

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

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

3. Pledge of 408,480,080 (March 31, 2021: 408,480,080) fully paid up equity shares of Rs. 10 each held by the holding Company.

4. The holding company has given corporate guarantee to cover the outstanding balance.

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

Rupee Term Loan facility -I from banks are repayable in 79 quarterly structured unequal instalments commenced from December 31, 2016 and Rupee Term Loan facility - II from banks are repayable in 77 quarterly structured unequal instalments commenced from June 30, 2017. The Rupee Term Loans in respect of facility - I and II carry an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.20% to 8.25% (March 31, 2021: 8.20% to 9.25% p.a.)

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

Rupee term loans facilities are repayable in 78 quarterly structured unequal instalments commenced from September 30, 2017. Rupee term loans carry an interest of SBI one year MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.20% to 9.15% p.a.(March 31, 2021: 8.25% to 9.70% p.a.)

Terms of repayment and rate of interest for FCNR Term loans by SEIL-P1 and SEIL-P2:

FCNR term loans tenure is 7 to 365 days from the date of conversion and these loans are repayable in one lump sum on the date of maturity. As per the terms of FCNR term loan agreements, the Company can rollover the facility (or) can convert it into Rupee term loans. The business model of the Company is either to rollover or conversion into Rupee term loans. The Company has classified the borrowings in the financial statements as per the original Rupee term loan agreement and repayments during the year have been honoured as per original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost (All in cost is in range of 7.42% to 7.93% p.a.) (March 31, 2021: 7.73% to 7.81% p.a.)

b) INR denominated Notes

INR denominated notes are unsecured and are fully subscribed by the holding company. During the previous year, the holding company has deferred the repayment of tranche 1 principal amounting to Rs. 7,893.90 million and interest accrued as at 31 March 2021 to 30 September 2022 at the request of the Company. Finance component on account of interest free deferment is recognised at fair value in other equity. In the current year, the Company has repaid 'INR denominated notes' amounting to Rs. 51,948.63 million including interest of Rs.9,548.63 million to Sembcorp Utilities Pte Limited. The difference between the carrying value of the liability and the repayment is adjusted in other equity component originally created on INR denominated notes.

During the year, the Company has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.13 Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Interest accrued on INR denominated notes (refer note 2.12 (b))	-	5,956.52
	-	**5,956.52**
Current		
Derivative liabilities on fair valuation of financial instruments^		
Derivatives designated as cash flow hedge		
- Fair value of forward contracts	-	5.55
Derivatives not designated as cash flow hedge		
- Fair value of forward contracts	250.50	333.88
Others		
Amount payable for purchase of property, plant and equipment [refer note 2.28 (IV)]	453.76	458.92
Amount payable for purchase of property, plant and equipment (dues of micro and small enterprises)	5.20	-
Interest accrued on borrowings (refer note 2.12)	3.95	332.87
Amount payable for Retention money payable [refer note 2.28 (IV)]	6,887.61	6,796.47
Accrued employee liabilities	609.23	131.28
Other payables	-	100.94
	8,210.25	**8,159.91**

^The Company exposure to currency and liquidity risk related to above derivative assets are disclosed in note 2.41

2.14 Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for employee benefits		
- Gratuity (refer note 2.34)	29.13	-
- Compensated absences	79.04	61.85
	108.17	**61.85**
Current		
Provision for employee benefits		
- Compensated absences	9.90	10.03
	9.90	**10.03**

2.15 Deferred tax liabilities

Deferred tax asset and liabilities attributable to the following

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities on:		
Excess of depreciation on Property, plant and equipment under Income Tax law over depreciation provided in accounts	15,625.43	14,229.25
Fair value adjustment of current investments	6.71	10.13
Unamortised part of prepayment expenses	76.16	104.88
Lease liabilities	11.23	-
	15,719.53	**14,344.26**
Deferred tax assets on:		
Allowance for expected credit loss	294.10	195.42
Provision for employee benefits	168.88	46.22
Interest carried forward under Section 94B of the Income-tax law	3,557.47	3,495.69

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.15 Deferred tax liabilities (Contd.)

Deferred tax asset and liabilities attributable to the following

Particulars	As at March 31, 2022	As at March 31, 2021
Business carry forward loss and Unabsorbed depreciation#	10,702.28	10,606.93
Unrealised Forex loss on capital creditor	53.64	-
Lease liability	15.46	-
Hedge reserve	60.34	-
	14,852.17	**14,344.26**
Net deferred tax liability/ (asset)	**867.36**	**-**

Till previous year deferred tax assets were recognised on unabsorbed depreciation/carried forward tax losses only if, there was a reasonable certainty that such deferred tax assets could be realised against future taxable profit.

2.16 Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Contract liabilities	24.71	313.47
Dues to statutory authorities	220.50	252.00
Other payables [refer note 2.28 (IV)]	5,558.51	3,924.30
	5,803.72	**4,489.77**

2.17 Short-term borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of long-term borrowings	5,093.98	19,555.74
Secured		
Working capital demand loans	4,749.72	5,780.00
Cash credit accounts	-	0.63
Bills discounting (refer note no. 2.8)	2,990.48	-
Buyers credit	-	2,138.50
Unsecured		
Commercial papers	2,481.84	-
	15,316.02	**27,474.87**

Note: The Company has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed are in agreement with the books of accounts.

During the year, the Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained

a) **Terms and nature of security:**

Loans from banks by SEIL-P1

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

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

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.17 Short-term borrowings (Contd.)

Loans from banks by SEIL-P2

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

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

iii) In addition to the First ranking pari passu charge, the fund based working capital facilities from Development Bank of Singapore, Hong Kong and Shanghai Banking Corporation bank are also secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd.

iv) Federal Bank working capital limits of Rs. 2,000 million is unsecured facility

v) Working Capital limits of Standard Chartered Bank of Rs. 3,000 million is secured by Corporate Guarantee of Sembcorp utilities Pte Ltd.

External commercial borrowings

1. The external commercial borrowings ('ECB') are payable in 20 quarterly structured unequal instalments commenced from June 30, 2017. ECB are guaranteed by Sembcorp Utilities Pte Ltd, the holding company. ECB carry interest at 3 month LIBOR plus 1.15% p.a. The Company has entered into cross currency interest rate swaps and the applicable interest rate under hedge agreement is 8.36% p.a.(March 31, 2021: 8.36%).

2. The entire outstanding amount as at March 31, 2021 is shown under current maturities as final maturity date falls on March 31, 2022

3. The holding company has given corporate guarantee to cover the outstanding balance.

External commercial borrowings loans have been repaid in full during the year."

b) Term of interest and repayments:

Repayment terms: Work capital demand loans and buyers credit tenure is upto180 days from the date of draw down and cash credits are repayable on demand for both the projects. The Company during the year has availed short-term loans by way commercial paper as part of working capital for a period upto 90 days.

Rate of interest: During the year working capital demand loans carries interest rate in the range of 4.00% to 7.00% p.a. (March 31, 2021: 6.50% to 8.55% p.a.) and Commercial Papers carries interest rate in the range of 4.35% to 4.45% p.a (March 31, 2021: 4.11% to 6.5% p.a)

2.18 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues to micro and small enterprises (refer note 2.35)	13.42	1.32
Total outstanding dues to other than micro and small enterprises		
- related parties (refer note 2.42)	65.38	24.06
- others	4,785.31	1,829.06
	4,864.11	**1,854.44**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.18 Trade payables (Contd.)

Aging of trade payables as on March 31, 2022

Details	Outstanding for following periods from the due date of payment						
	Unbilled	Not due	< 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	13.42	-	-	-	-	13.42
Others	3,216.09	1,633.10	-	1.50	-	-	4,850.69
Disputed trade payables							-
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**3,216.09**	**1,646.52**	**-**	**1.50**	**-**	**-**	**4,864.11**

Aging of trade payables as on March 31, 2021

Details	Outstanding for following periods from the due date of payment						
	Unbilled	Not due	< 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	1.32	-	-	-	-	1.32
Others	1,462.36	367.01	23.71	-	0.04	-	1,853.12
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**1,462.36**	**368.33**	**23.71**	**-**	**0.04**	**-**	**1,854.44**

The Company's exposure to currency and liquidity risks related to trade payables are disclosed in note 2.41

2.19 Current tax liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for taxes (net of advance tax: Rs.63.14 million, (March 31, 2021: Rs. 151.36 million)	149.48	336.49
	149.48	**336.49**

2.20 Revenue from operations

Particulars	As at March 31, 2022	As at March 31, 2021
Sale of electricity (refer note 2.46)	76,766.78	73,591.41
Other operating revenues:		
- Sale of fly ash	124.22	82.78
	76,891.00	**73,674.19**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.20 Revenue from operations (Contd.)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:		
Contract price	77,193.58	73,868.41
Adjustments for:		
Rebates	(60.85)	(141.98)
Deviation settlement charges	(662.27)	(137.69)
Unearned income	296.32	2.67
	76,766.78	**73,591.41**
b. Changes in contract liabilities*		
Balance at the beginning of the year	313.47	305.46
Add: Amount received during the year	166.42	17.15
Less: Amount recognised as revenue/other adjustments during the year	(455.18)	(9.14)
Balance at the end of the year	**24.71**	**313.47**

* Contract liabilities include unearned income and advance from customer.

c. Transaction Price - Remaining Performance Obligation

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

d. Refer note 2.32 for Revenue disaggregation by geography

2.21 Other income

Particulars	As at March 31, 2022	As at March 31, 2021
Interest income from financial assets measured at amortised cost	264.67	363.80
Net gain on fair value changes classified as FVTPL	81.62	76.59
Late payment surcharges recovered from customers (refer note 2.46 and 2.47)	989.50	2,846.56
Insurance claims recovered (refer note 2.44)	-	790.70
Gain on derivative contracts, net at FVTPL	29.98	-
Gain on sale of property, plant and equipment, net	0.42	-
Scrap sales	55.33	29.43
Miscellaneous income	0.18	1.12
	1,421.70	**4,108.20**

2.22 Cost of fuel

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Coal and fuel cost	46,729.68	40,519.73
	46,729.68	**40,519.73**

2.23 Transmission charges

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Transmission charges	3,113.82	2,378.99
	3,113.82	**2,378.99**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

2.24 Employee benefits expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	2,166.92	1,425.66
Contribution to provident and other funds (refer note 2.34)	80.83	86.00
Employee shared based expenses (refer note 2.43)	136.20	56.35
Staff welfare expenses	92.62	84.36
	2,476.57	**1,652.37**

2.25 Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on financial liabilities measured at amortised cost	10,187.00	12,676.12
Unwinding of discount on lease liabilities (refer note 2.31)	6.41	6.81
Other borrowing costs	699.31	715.10
	10,892.72	**13,398.03**

2.26 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	6,659.90	7,442.25
Depreciation on right to use assets (refer note 2.31)	27.38	12.88
Amortisation on intangible assets	5.12	2.71
	6,692.40	**7,457.84**

2.27 Operating and other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores, spares and consumables	925.86	777.67
Repairs and maintenance		
- Buildings and civil works	50.05	48.89
- Plant and equipment	1,058.02	885.12
- Others	14.95	22.25
IT maintenance expenses	125.01	61.34
Travelling and conveyance	21.43	11.01
Insurance	475.62	563.89
Vehicle hire charges	54.62	47.91
Security charges	56.44	56.79
Legal and professional expenses (refer note 2.37)	272.59	276.55
Health and safety expenses	38.15	37.91
Expenditure on corporate social responsibility (refer note 2.36)	52.58	18.29
Rates and taxes	27.32	287.34
Rent (refer note 2.31)	3.56	3.50
Training and seminar	10.92	1.62
Printing and stationery	3.05	3.89

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.27 Operating and other expenses (Contd.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Directors' sitting fee	6.37	5.37
Commission charges	12.13	15.15
Communication expenses	13.50	15.07
Advertisement expenses	6.35	5.41
Loss on derivative contract	-	117.07
Loss on foreign currency transactions and translation (net)	132.38	93.83
Property, plant and equipment written off	0.26	23.99
Allowance for expected credit loss	462.62	217.89
Doubtful receivables and advances written off	-	5.06
Miscellaneous expenses	38.51	52.50
	3,862.29	**3,655.31**

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

Particulars	As at March 31, 2022	As at March 31, 2021
I) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	192.07	222.53
	192.07	**222.53**
II) Claims against the Company not acknowledged as debt in respect of:		
(i) Income tax (refer note a below)	730.83	749.53
(ii) Stamp duty (refer note b below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax	150.62	150.62
(v) Service tax (refer note c below)	798.13	798.13
(vi) Demand for fly ash disposal (National Green Tribunal)#	-	85.31
(vii) Township construction contract works##	149.92	149.92
(viii) Goods and service tax (refer note d below)	1,108.27	-
(ix) Others (refer note e, f and g below)	Amount not ascertainable	Amount not ascertainable
	3,224.98	**2,220.72**

#During the previous year, the Company has received a demand order from National Green Tribunal (NGT) levying environmental compensation charges towards non utilization/disposal of 100.00% fly ash. On May 1, 2022 The Honourable Supreme Court has set aside the order issued by National Green Tribunal (NGT) levying environmental compensation charges /penalty towards non utilisation /disposal of 100% fly ash on.

##The Company had earlier entered into a contract with a vendor for construction of township at Nellore for an amount of Rs. 454.06 million. The contract was completed on October 31, 2017 and the full and final settlement was agreed with the vendor on December 15, 2017. Final payment was released by the Company on November 15, 2018. During the previous year, the vendor sought additional compensation of Rs. 149.91 million (approx.) from the Company for additional work executed, damages, loss of profits, recovery of liquidated damages etc., sought appointment of an arbitrator and also filed proceedings application under Section 11 of Arbitration and Conciliation Act, 1996 against the Company before the Hon'ble High Court of Telangana. The Company is contesting the matter and has obtained legal opinion on the validity of the claims. As per the legal opinion, Company has a good arguable case in its favour and no adjustment required in books of accounts.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.28 Contingent liabilities and commitments (to the extent not provided for) (Contd.)

Particulars	As at March 31, 2022	As at March 31, 2021
III) Bank guarantees with customs and others		
Bank guarantees with customs and excise	8,345.24	8,387.81
Bank guarantees for PPA and other commitments	8,714.90	6,487.14
	17,060.14	**14,874.95**

Notes:

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

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

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

d. During the year, Assistant Commissioner (State Tax), Nellore in its order has confirmed a demand for Goods & Service Tax (GST) for an amount of Rs. 639.18 million (of which Rs. 366.67 million pertains to FY 2017-18 and Rs. 272.51 million for FY 2018-19) along with interest of Rs. 405.17 million and penalty of Rs. 63.92 million aggregating to a total tax demand of Rs. 1,108.27 million against the earlier Show Cause Notices (SCNs) issued for levy of GST on Transmission charges incurred and reimbursed by the Company. The Company has obtained an expert opinion and filed its reply to the said authorities contending that such transmission charges are not subject to GST. Considering the facts of the case and expert opinion obtained, the company believes it has a good case in its favour and no adjustments are required in the financial statements.

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

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

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

IV) Liquidated damages and bank guarantee encashment:

In earlier years the Company raised a claim of Rs. 2,882.50 million and of US$ 9.04 million towards liquidated damages on one of its EPC contractor for delay in the achievement of provisional acceptance for which the Company had to incur additional cost to commence operations and encashed performance bank guarantee of Rs. 516.00 million on April 19, 2017 and Rs. 2,915.00 million on November 3, 2017 respectively. Also, a claim of US $ 40.97 million was raised on EPC equipment suppliers consortium towards the delay in agreed delivery schedule and non-achievement of project provisional acceptance.

The EPC contractor had invoked Arbitration proceedings and filed its statement of claims of Rs. 15,579.00 million with interest. The Company filed its statement of defence along with a counter claim of Rs. 10,127.00 million and US$ 9.04 million. The matter is pending disposal as of date. Based on the statement of defense filed by the Company and legal counsel view, the Company believes it has a good case in its favour and no adjustment is required in the financial statements.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.29 Electricity duty demand:

During earlier years, the Company received an intimation from the Chief Electrical Inspector, Government of Andhra Pradesh ('GoAP') , whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to Rs.1,493.62 million. Based on the internal assessment and legal opinion obtained advice received by the Company, the management believes that the provisions of Electricity Duty Act, and Rules, 1939 in respect of payment of electricity duty are not applicable to the Company and accordingly no adjustments has been made in financial statements of the Company for the year ended March 31, 2022.

2.30 Earnings per equity share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net profit for the year	1,423.65	8,720.12
Number of equity shares		
Number of shares at the beginning of the year	5,433,668,574	5,433,668,574
Weighted average number of equity shares outstanding during the year	**5,433,668,574**	**5,433,668,574**
Earnings per equity share (face value of share Rs.10 each)		
- Basic and diluted (refer note below)	0.26	1.60

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

2.31 Right-of-use assets and leases

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

Particulars	Gross carrying amount	Accumulated depreciation	Net carrying amount
As at March 31, 2022			
Leasehold land	622.50	12.93	609.57
Buildings	97.76	63.61	34.15
Vehicle	11.54	3.84	7.70
Total	**731.80**	**80.38**	**651.42**
As at March 31, 2021			
Leasehold land	619.64	-	619.64
Buildings	120.79	75.06	45.73
Vehicle	11.54	0.96	10.58
Total	**751.97**	**76.02**	**675.95**

Lease liability (Financial liability)	As at March 31, 2022	As at March 31, 2021
Present value of lease liability		
Current	17.49	14.31
Non- current	43.9	58.46
Maturity analysis		
0 - 1 year	27.4	20.35
1 - 5 years	51.77	66.19
More than 5 years	18.21	2.72

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.31 Right-of-use assets and leases (Contd.)

The amount recognised in the statement of profit and loss for the year ended March 31, 2022 for the right-of-use assets and lease liability are as follows:

Leasehold land and buildings	Vehicle	Leasehold land	Buildings	Total
Depreciation charged on right-of-use assets	2.88	13.13	11.37	27.38
Unwinding of Interest expense on lease liabilities	0.91	0.49	5.01	6.41

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

Leasehold land and buildings	Vehicle	Leasehold land and buildings	Buildings	Total
Depreciation charged on right-of-use assets	0.96	-	11.92	12.88
Unwinding of Interest expense on lease liabilities	0.34	0.39	6.08	6.81

Further, the Company incurred Rs. 3.56 million (March 31, 2021: Rs. 3.50 million) towards expenses relating to short-term leases and leases of low-value assets for the year ended March 31, 2022.

Lease contracts entered by the Company majorly pertains to land taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is Rs. 17.79 million (March 31, 2021: Rs. 18.38 million) for the year ended March 31, 2022.

2.32 Segment reporting

The Company is engaged in the business of generation of power, which in the context of Ind AS 108 - "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Company exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended March 31, 2022 and March 31, 2021 were as follows:

Customer name	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Revenue	%	Revenue	%
Telangana State Government utilities	30,226.32	39.37%	29,994.00	40.71%
Indian Energy Exchange (IEX)	22,416.67	29.20%	13,977.07	18.97%
Andhra Pradesh State Government utilities	7,310.80	9.52%	8,932.19	12.12%
Bangladesh Power Development Board	10,174.18	13.25%	9,545.43	12.96%

Revenues, net	For the year ended March 31, 2022	For the year ended March 31, 2021
India	66,716.82	64,128.76
Bangladesh	10,174.18	9,545.43
Total	**76,891.00**	**73,674.19**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.32 Segment reporting (Contd.)

The total of non-current assets other than financial instruments and tax assets, broken down by location of the assets, is shown below:

Non-current assets	As at March 31, 2022	As at March 31, 2021
India	153,589.48	214,107.26
Bangladesh	-	-
Total non-current assets	**153,589.48**	**214,107.26**

2.33 Changes in liabilities arising from financing activities

Particulars	Lease liabilities	Borrowings	Total
As at April 1, 2020	(69.09)	(1,43,568.17)	(1,43,637.26)
Net cash flows	16.86	(9,253.86)	(9,237.00)
Foreign exchange movement and borrowing cost	-	20,449.46	20,449.46
Remeasurement of lease liabilities	(13.73)	-	(13.73)
Unwinding of discount on lease liabilities	(6.81)	-	(6.81)
As at March 31, 2021	**(72.77)**	**(1,32,372.57)**	**(1,32,445.34)**
Net cash flows	2.12	46,186.01	46,188.13
Foreign exchange movement and borrowing cost	-	1,197.56	1,197.56
Remeasurement of lease liabilities	2.85	-	2.85
Unwinding of discount on lease liabilities	6.41	-	6.41
As at March 31, 2022	**(61.39)**	**(84,989.00)**	**(85,050.39)**

2.34 Assets and liabilities relating to employee benefits

i) Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contribution to provident fund charged to the statement of profit and loss is Rs. 65.76 million (March 31, 2021: Rs. 66.08 million).

ii) Defined benefit plan

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

A. Funding

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.34 Assets and liabilities relating to employee benefits (Contd.)

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

Particulars	As at March 31, 2022	As at March 31, 2021
B. Reconciliation of the present value of defined benefit obligation		
Balance at the beginning of the year (As reported earlier)	100.95	77.15
Current service cost	17.37	14.79
Past service cost	-	5.88
Interest cost	7.01	5.28
Benefits paid	(5.06)	(4.21)
Actuarial (gains)/loss recognised in the other comprehensive income		
- experience adjustments	(0.77)	3.20
- changes in financial assumptions	46.32	(1.14)
- demographic assumptions	0.92	-
Balance at the end of the year	**166.74**	**100.95**
C. Reconciliation of the present value of plan assets		
Balance at the beginning of the year	116.24	87.86
Contributions made into the plan by employer	16.39	26.96
Benefits paid	(5.06)	(4.21)
Expected return on plan assets	8.18	6.03
Actuarial loss on plan assets	1.86	(0.40)
Balance at the end of the year	**137.61**	**116.24**
Net defined benefit obligation/(asset)	**29.13**	**(15.29)**
Disclosure in the balance sheet:		
Non-current	(29.13)	15.29
Current	-	-

D. Expense recognized in the statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	17.37	14.79
Past service cost	-	5.88
Interest cost on obligation	7.01	5.28
Interest income on plan assets	(8.18)	(6.03)
	16.20	**19.92**
Remeasurements recognised in Other comprehensive income		
Actuarial loss on defined benefit obligation	46.47	2.06
Actuarial loss on planned asset	(1.86)	0.40
	44.61	**2.46**

E. Plan assets comprise of the following:

Particulars	As at March 31, 2022	As at March 31, 2021
New Group Gratuity Cash Accumulation Plan with LIC	137.61	116.24

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.34 Assets and liabilities relating to employee benefits (Contd.)

F. Summary of actuarial assumptions

Demographic assumptions

Particulars	As at March 31, 2022	As at March 31, 2021
Attrition rate		
21 - 30 years	8.00%	10.00%
31 - 40 years	4.00%	5.00%
41 year and above	2.00%	1.00%
Financial assumptions		
Discount rate	7.25%	7.05%
Future salary growth rate	8.00%	5.00%

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

Sensitivity analysis

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

Particulars	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
			Increase/(Decrease) in liability		Increase/(Decrease) in liability	
Discount rate	0.50%	0.50%	(9.80)	(5.51)	10.70	6.00
Salary growth rate	0.50%	0.50%	10.58	6.09	(9.78)	(5.64)

G. Asset-liability matching strategy

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

H. Maturity profile of the defined benefit obligation

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

Particulars	As at March 31, 2022	As at March 31, 2021
Within 1 year	6.29	7.67
2 to 5 years	34.62	23.71
6 to 9 years	59.53	39.32
For year 10 and above	394.95	201.00

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.34 Assets and liabilities relating to employee benefits (Contd.)

iii) Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the statement of profit and loss amounting to Rs.29.25 million (March 31, 2021: Rs. 24.84 million).

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

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier under the said MSMED Act.

Particulars	As at March 31, 2022	As at March 31, 2021
the amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	13.42	1.32
- Interest	-	-
the amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006);	-	-
the amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year;	-	-
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purposes of disallowances as a deductible expenditure under the MSMED Act, 2006;	-	-

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

2.36 Details of Corporate social responsibility expenditure

As per Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility ('CSR') Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure. Nature of CSR activities are Health, education, Skill and Entrepreneurship Development programmes and Other emergency interventions.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.36 Details of Corporate social responsibility expenditure (Contd.)

Amount spent during the year on:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount required to be spent by the Company during the year	56.11	14.76
Less: Excess amount available for set off from FY 2020-21	3.53	-
Net Amount required to be spent by the Company during the year	52.58	14.76
Amount of expenditure incurred	40.54	18.29
Amount of shortfall for the year	12.04	-
Amount of cumulative shortfall at the end of the year	12.04	-

The Company has incurred Rs. 40.54 million (March 31, 2021: Rs 18.29 million) during the year towards certain activities in relation to Health, education and Skill and Entrepreneurship Development programmes. The shortfall is on account of delay in certain projects and has been deposited with a designated bank account.

2.37 Auditor's remuneration (including taxes)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
- Statutory audit fee	3.30	4.13
- Other services	6.02	8.48
- Reimbursement of expenses	0.19	0.56
	9.51	**13.17**

2.38 Deferred tax

i) Movement in temporary differences

Particulars	As at April 1, 2021	Impact in Profit and loss	Impact in OCI	As at March 31, 2022
Deferred tax liabilities (DTL)				
Excess of depreciation allowable under Income-tax law over depreciation provided in books	14,229.25	1,396.18	-	15,625.43
Unamortised part of borrowing costs	104.88	(28.72)	-	76.16
Fair value adjustment of current investments	10.13	(3.43)	-	6.70
On ROU assets	-	11.23		11.23
	14,344.26	**1,375.26**	**-**	**15,719.52**
Deferred tax asset (DTA)				
Allowance for expected credit loss	195.42	98.67	-	294.09
Provision for employee benefits	46.22	122.66	-	168.88
Interest carried forward under Section 94B of the Income-tax law	3,495.69	61.78	-	3,557.47
Unabsorbed depreciation/carried forward tax losses	10,606.93	95.36	-	10,702.29
Unrealised Forex loss on capital creditor	-	53.64		53.64
Lease liability	-	15.45		15.45
On Hedge reserve	-	-	60.34	60.34
	14,344.26	**447.56**	**60.34**	**14,852.16**
Net deferred tax liabilities	**-**	**927.70**	**(60.34)**	**867.36**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.38 Deferred tax (Contd.)

i) Movement in temporary differences

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

ii) Tax Expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax (credit)	(252.15)	-
Deferred tax credit	927.70	-
Total	**675.55**	**-**
Tax effect on items classified under other comprehensive income	(60.34)	-
	615.21	**-**

iii) Reconciliation of effective tax rate

Particulars	As at March 31, 2022	As at March 31, 2021
Profit before tax (a)	2,099.20	8,720.12
Domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	528.33	2,194.68
Effect of		
Non deductible expenses(i.e., deemed interest expenses masala bond, loss on sale of assets)	116.13	112.57
Deferred Tax asset not created on temporary differences / unabsorbed depreciation or carried forward losses	-	(2,307.25)
Deferred tax not recognised on Capital loss on sale of Investment	615.62	-
Utilisation of unrecognised Deferred tax asset	(256.56)	-
Income taxes related to prior years	(252.15)	-
Others	(75.82)	-
Income tax expense (b)	**675.55**	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.39 Capital management

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

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

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

Particulars		As at March 31, 2022	As at March 31, 2021
Debt	A	84,989.00	132,372.57
Total equity	B	110,993.13	109,581.97
Total debt and equity		**195,982.13**	**241,954.54**
Debt-to-equity ratio	**(A+B)**	**0.77**	**1.21**

2.40 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance
a) Current ratio (times)	Current assets	Current liabilities	1.79	1.13	58%
Improvement in Current ratios is due to external commercial borrowings which were repaid by availing rupee term loan in the current year					
b) Debt equity ratio (times)	Total Debt= Long term and short term loan	Total equity	0.77	1.21	-37%
Improvement in Debt equity ratio is due to repayment of Rs. 42,400 million 'INR denominated notes in the current year					
c) Debt service coverage ratio (times)	Earnings before interest, depreciation and tax	Interest expense + Principal Repayment within the next period / year	0.68	1.65	-59%
Reduction in Debt service coverage ratio is due to repayment of ECB loan in the current year					
d) Return on equity (%)	Net profit after taxes	Average Shareholder's Equity	1.29%	8.32%	-84%
Reduction in Return on equity is higher profits in the previous year					
e) Inventory turnover ratio (in days)	Cost of fuel & spares consumption	Average Inventory	46	54	-16%
f) Trade receivables turnover ratio (in days)	Revenue	Average trade receivables	169	146	16%
g) Trade payables turnover ratio (in days)	Cost of fuel & Transmission charges	Average trade payables	25	26	-6%
h) Net capital turnover ratio (times)	Revenue	Working capital	2.84	13.12	-78%
Reduction in Net capital turnover ratio due to increase in Inventory, trade receivables, Cash and bank balance and increase in advances to suppliers					
i) Net profit ratio (%)	Net profit after taxes	Revenue	1.85%	11.84%	-84%

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.40 Ratios (Contd.)

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance
Reduction in Net profit ratio is due to higher profits in the previous year					
j) Return on capital employed (%)	Earnings before interest & Taxes	Capital employed	6.60%	9.14%	-28%
Reduction in Return on capital employed is due to higher profits in the previous year					
k) Return on investments (%)	Earnings before interest & Taxes	Closing total Assets	6.01%	8.41%	-29%
Reduction in Return on investments is due to higher profits in the previous year					

2.41 Financial instruments - Fair values and risk management

A) Accounting classifications and fair values

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

As at March 31, 2022:

Details	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Investments - Mutual funds	2.7	2,471.30	-	-	2,471.30	2,471.30	-	-
Trade receivables	2.8	-	-	38,606.90	38,606.90	-	-	-
Cash and cash equivalents	2.9	-	-	4,757.98	4,757.98	-	-	-
Other bank balances	2.9	-	-	2,039.50	2,039.50	-	-	-
Other financial assets	2.3	-	-	2,846.09	2,846.09	-	-	-
		2,471.30	**-**	**48,250.47**	**50,721.77**	**2,471.30**	**-**	**-**
Borrowings	2.12 & 2.17	-	-	84,989.00	84,989.00	-	-	-
Trade payables	2.18	-	-	4,864.11	4,864.11	-	-	-
Lease Liabilities	2.31	-	-	61.39	61.39	-	-	-
Other financial liabilities	2.13	-	250.50	7,959.75	8,210.25	-	250.50	-
		-	**250.50**	**97,874.25**	**98,124.75**	**-**	**250.50**	**-**

As at March 31, 2021:

Details	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Investments - Mutual funds	2.7	2,483.27	-	-	2,483.27	2,483.27	-	-
Trade receivables	2.8	-	-	32,520.20	32,520.20	-	-	-
Cash and cash equivalents	2.9	-	-	1,899.04	1,899.04	-	-	-
Other bank balances	2.9	-	-	1,959.34	1,959.34	-	-	-
Other financial assets	2.3	0.51	1,319.38	4,371.01	5,690.90	-	1,319.89	-
		2,483.78	**1,319.38**	**40,749.59**	**44,552.75**	**2,483.27**	**1,319.89**	**-**
Borrowings	2.12 & 2.17	-	-	132,372.57	132,372.57	-	-	-
Trade payables	2.18	-	-	1,854.44	1,854.44	-	-	-
Lease Liabilities	2.31	-	-	72.77	72.77	-	-	-
Other financial liabilities	2.13	333.88	5.55	13,777.00	14,116.43	-	339.43	-
		333.88	**5.55**	**148,076.78**	**148,416.21**	**-**	**339.43**	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

Note:

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

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

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

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

Valuation techniques and significant unobservable inputs

Investment in mutual funds:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Forward exchange/ option contracts, Swap contracts and Commodity hedge contracts:"

Foreign exchange forward/ option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

B) Financial risk management objectives and policies

The Company's activities exposed it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Company's Enterprise Risk Management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Company's liquidity, counterparty risk, foreign exchange and derivative transactions and financing.

The Company uses foreign exchange contracts, foreign exchange swaps, interest rate swaps, and various financial instruments to manage exposures to interest rate and foreign exchange risks arising from operating and financing activities. The Company uses commodity hedge contract to manage exposure for international coal prices. All such transactions must involve underlying assets or liabilities and no speculative transactions are allowed.

The financial authority limits/seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices (coal) will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

(i) Interest rate risk

The Company's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Company's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts and long-term and short-term borrowings.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

The Company enters into cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Company's policy the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt.

The Company has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts / options for payments of interest and principle for FCNR term loans.

The Company's borrowings majorly consists of project funding loans and working capital loans having variable rate of interest.

The interest rate profile of the Company's interest-bearing instruments as reported to management is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed rate instruments		
Non-current and current borrowings	10,222.04	50,318.50
Effect of interest rate swaps	-	15,362.90
	10,222.04	**65,681.40**
Variable rate instruments		
Non-current and current borrowings	74,766.96	82,054.07
Effect of interest rate swaps (Hedge portion)	-	(15,362.90)
	74,766.96	**66,691.17**
	84,989.00	**132,372.57**

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Company's assets are located in India. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Company is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).

The Company evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency swaps to mitigate the exposure.

The summary quantitative data about the Company's exposure to currency risk (based on notional reports) is as follows:

Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Financial assets					
Trade receivables	USD	1,985.30	26.19	722.55	9.83
Other financial assets (unbilled receivables)	USD	-	-	986.43	13.42
Total financial assets		**1,985.30**		**1,708.98**	
Financial liabilities					
Borrowings - ECB, FCNR and Buyer's credit	USD	(16,620.31)	(219.24)	(45,966.50)	(627.44)
Trade payables	USD	(3,930.22)	(51.70)	(998.19)	(13.58)
Trade payables	SGD	(64.65)	(1.16)	-	-
Other financial liabilities	SGD	-	-	(100.94)	(1.87)

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Other financial liabilities	USD	(3,991.04)	(52.65)	(3,871.49)	(52.67)
Total financial liabilities		**(24,606.22)**		**(50,937.12)**	
Net financial liabilities		**(22,620.92)**		**(49,228.14)**	
Less: Derivatives					
Foreign exchange forward contracts (against Buyer's credit)	USD	-	-	2,138.25	29.09
Foreign exchange forward contracts (against FCNR)	USD	16,620.31	219.24	28,428.76	388.85
Cross currency interest rate swaps	USD	-	-	15,399.23	209.50
		16,620.31		**45,966.24**	
Net exposure in respect of recognised assets/ (liabilities)		**(6,000.61)**		**(3,261.90)**	

Sensitivity analysis:

A reasonably possible strengthening /(weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
As at March 31, 2022	296.80	(296.80)	296.80	(296.80)
As at March 31, 2021	158.05	(158.05)	158.05	(158.05)
SGD (5% movement)				
As at March 31, 2022	3.23	(3.23)	3.23	(3.23)
As at March 31, 2021	5.05	(5.05)	5.05	(5.05)

(iii) Commodity price risk

The prices of imported coal purchases are linked to price fluctuations in international coal market. Significant portion of cost and inventories are exposed to the risk of price fluctuations in international coal markets. The Company uses commodity hedge contracts to hedge the price risk of forecasted transactions.

The Company operates a risk management desk that uses hedging instruments to seek to reduce the impact of market volatility in coal prices on the Company's profitability. The Company's risk management desk uses coal commodity hedge contracts that are available in the commodity derivative markets. (The derivative instruments used for hedging purposes typically do not expose the Company to market risk because the change in their market value is usually offset by an equal and opposite change in the market value of the underlying asset, liability or transaction being hedged). The Company's open positions in commodity hedge contracts are monitored and managed on a regular basis to ensure compliance with its stated risk management policy which has been approved by the management.

Break-up of commodity hedge contracts entered into by the Company and outstanding as at balance sheet date:

Particulars	Contracts currency	Quantity of open contracts (MT)		Fair value of derivative asset/ (liability) (Rs.)	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Coal commodity hedge contract	USD	-	156,850	-	251.86

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

iv) Derivative financial instruments

Cash flow hedges:

Cross currency interest rate swaps:

The Company has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Company has also entered into interest rate swap contracts, under which the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Commodity hedge contracts:

The Company uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Company to mitigate the risk of changing coal prices and corresponding cash outflows.

Forward contracts:

The Company uses foreign exchange forward contracts to hedge the currency risk on Interest portion of foreign currency denominated loans. These contracts enable the Company to mitigate the risk of change in foreign exchange rates and corresponding cash outflows.

Fair value hedges:

Forward contracts

The fair value of foreign exchange contracts which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price.

The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/ (liability) (Rs in million)		Nominal values in Foreign currency (USD)		Nominal values (Rs in million)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Derivatives designated as cash flow hedges:						
Cross currency interest rate swaps						
In USD	-	1,067.52	-	209.50	-	13,984.13
Commodity hedge contracts						
In USD	-	251.86	-	12.60	-	926.07
Forward contracts						
In USD	(0.82)	(5.55)	1.33	6.54	102.07	481.04
Derivatives not designated as cash flow hedge:						
Forward contracts and swaps						
In USD	(249.68)	(333.37)	219.23	438.90	16,976.25	32,261.03

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer, employee or counterparty to a financial instrument fails to meet it contractual obligation leading to financial loss. The Company is exposed to credit risk from its operating activities primarily for trade and unbilled receivables, and from its financing activities, including short-term deposits with banks, and other financial assets.

The carrying amounts of the financial assets as disclosed in note 2.8 represent the maximum credit risk exposure.

Trade receivables and unbilled receivables

The Company has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e. sale of power. The Company ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Company has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit worthiness of its customers are continuously monitored.

As at March 31, 2022 and March 31, 2021, the Company has 2 customers that owed the Company more than 90% of the trade receivable outstanding.

The Company also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade receivables.

Impairment

The movement in Allowance for expected credit loss in respect of trade receivables and unbilled revenue during the year is as follows:

Particulars	Allowance for expected credit loss	
	As at March 31, 2022	As at March 31, 2021
Trade and unbilled receivables		
Balance at the beginning of the year	541.39	323.50
Movement in loss allowance	462.62	217.89
Balance at the end of the year	**1,004.01**	**541.39**

Other financial assets/ derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets are limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks and financial institution, the Company does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Company is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financing activities. The Company's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Company to meet its obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as of the reporting date.

As at March 31, 2022

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	74,770.91	11,149.66	40,845.47	67,808.77	119,803.90
Borrowings - short-term (excluding current maturities)	10,222.04	10,222.04	-	-	10,222.04
Trade payables	4,864.11	4,864.11	-	-	4,864.11
Other financial liabilities (excluding interest accrued on borrowings)	8,206.30	8,206.30	-	-	8,206.30
	98,063.36	**34,442.11**	**40,845.47**	**67,808.77**	**143,096.35**

As at March 31, 2021

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	130,742.83	25,040.21	68,810.16	103,800.70	197,651.07
Borrowings - short-term (excluding current maturities)	7,919.13	7,919.13	-	-	7,919.13
Trade payables	1,854.44	1,854.44	-	-	1,854.44
Other financial liabilities (excluding interest accrued on borrowings)	7,827.04	7,827.04	-	-	7,827.04
	148,343.44	**42,640.82**	**68,810.16**	**103,800.70**	**215,251.68**

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.42 Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company
Sembcorp Utilities Pte Ltd, Singapore	Holding company
TPCIL Singapore Pte Ltd, Singapore	Subsidiary
Sembcorp Green Infra Limited, India	Subsidiary (Upto December 22, 2021)
Sembcorp Green Infra Limited, India	Entity under common control (w.e.f December 23, 2021)
Sembcorp India Private Limited, India	Entity under common control
Wong Kim Yin	Chairman (w.e.f August 11, 2020)
Neil Mcgregor	Chairman (Upto June 30, 2020)
Vipul Tuli	Managing Director
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director
Bobby Kanubhai Parikh	Independent Director (Upto September 1, 2020)
Looi Lee Hwa	Director
Eugene Chee Mun Zheng Zhiwen Cheng	Director (w.e.f May 1, 2021)
Juvenil Jani	Chief Financial Officer
Narendra Ande	Company Secretary

b) The following are the transactions with related parties during the year

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent and utility expense		
Sembcorp India Private Limited	18.83	18.92
Consultancy expenses		
Sembcorp Utilities Pte Ltd	178.67	196.03
Bank guarantee fees/ commission		
Sembcorp Utilities Pte Ltd	212.75	223.55
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	3,140.73	4,397.88
Purchase of Other intangible assets		
Sembcorp Utilities Pte Ltd	-	13.10
Reimbursement of expenses		
Sembcorp Green Infra Limited	0.41	-
Sembcorp India Private Limited	-	0.30
Sembcorp Utilities Pte Ltd	4.94	8.46
Sembcorp Industries Ltd	-	0.41
Share based expenses reimbursement		
Sembcorp Utilities Pte Ltd	136.20	56.35
Repayment of INR Denominated notes		
Sembcorp Utilities Pte Ltd	42,400.00	-
Other reimbursements received		
Sembcorp Green Infra Ltd	-	0.71
Interest paid on INR Denominated notes (Net of TDS)		
Sembcorp Utilities Pte Ltd	9,548.63	5,498.15
Sale of investment in subsidiary		
Sembcorp Utilities Pte Ltd	52,321.20	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.42 Related party disclosure (Contd.)

b) The following are the transactions with related parties during the year

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries to Key managerial person*		
Vipul Tuli	155.34	61.49
Juvenil Jani	36.42	21.00
Narendra Ande	6.42	5.60
Sitting fees to Directors (including taxes)		
Radhey Shyam Sharma	2.12	1.65
Kalaikuruchi Jairaj	2.12	1.62
Sangeeta Talwar	2.12	1.62
Bobby Kanubhai Parikh	-	0.47

* Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances are as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Related party receivables		
Sembcorp Green Infra Limited (Other receivables)	-	0.84
Related party payables		
Sembcorp India Private Limited (Trade payables)	-	0.11
Sembcorp Utilities Pte Ltd (Trade payables)	64.65	23.95
Related party borrowings		
Sembcorp Utilities Pte Ltd	-	42,400.00
Interest accrued on INR denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	-	6,662.98
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd (Represents the amount of facility outstanding)	25,947.69	42,718.33

2.43 Share-based Payments

The Company participates in Share based plans of ultimate holding company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Restricted Share Plan (SCI RSP) and Performance Share Plan (SCI PSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. The SCI RSP is for directors and employees of the Company, whereas the SCI PSP is primarily for key executives of the Company. The details of share plans are as follows:

a) SCI Restricted Share Plan (RSP)

The number of the restricted share awards granted are based on the achievement of stretched financial and nonfinancial targets for the preceding calendar year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards. For the grant awarded during the year, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

b) SCI Performance Share Plan (PSP)

The SCI PSP is targeted at senior management who shoulder the responsibility for the Company's performance and who are able to drive the growth of the Company to deliver long-term shareholder value. Awards granted under the SCI PSP are performance-based and performance targets set under the SCI PSP are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.43 Share-based Payments (Contd.)

The following is the summary of movement in RSP and PSP:

Particulars	March 31 2022		March 31 2021	
	RSP	PSP	RSP	PSP
Outstanding at the beginning of the year	990,435	458,752	476,470	326,000
Granted during the year	176,422	3,033,800	1,037,060	323,636
Vested during the year	(390,040)	(433,100)	(523,095)	-
Forfeited / lapsed during the year	-	-	-	(190,884)
Outstanding at the end of the year	**776,817**	**3,059,452**	**990,435**	**458,752**

Information on outstanding and exercisable RSP and PSP is as set out below:

Particulars	March 31 2022		March 31 2021	
	RSP	PSP	RSP	PSP
Options outstanding at the end of the year				
Number of options outstanding	776,817	3,059,452	990,435	458,752
Remaining contractual life in years	0.00-1.25	0.00-4.06	1.83-2.44	1.62
Risk free interest rate (depending on maturity)	0.47% – 0.96%	0.4% – 1.3%	0.77% – 0.96%	0.77% - 0.96%
Expected dividend yield shares	3.50%-4.20%	3.50%-4.20%	3.50%	3.50%
Weighted average price (SGD)	1.75	1.71	1.59	1.24

The fair values of the PSP and RSP are estimated using a Monte Carlo simulation at the grant dates. The Company had charged Rs. 136.20 million (March 31 2021: Rs. 56.35 million) on account of share based payment based on the fair value of the performance shares and restricted shares at the grant date and is being expensed over the vesting period.

2.44 During the previous years, the Company had filed insurance claim for damage and business interruption on account of breakdown of stator and repair of rotor with New India Assurance Company Limited. During the previous year the Company had received an insurance claim amounting to Rs 781.72 million and the same was accounted as insurance claim recovered.

2.45 The Company has accounted Rs 2,525.86 million (March 31, 2021: Rs. 1,543.88 million) as Goods and service tax(GST) input tax credit for claiming refund against export of electricity made to Bangladesh. However, the input tax credit refund has been disputed by GST Authorities primarily for non-submission of shipping bill as a proof of export for which representation has been filed by the Company with Ministry of Finance and seeking assistance from Ministry of Power for resolution of the matter. The Company has also filed writ petitions with High Court of Andhra Pradesh, seeking relief against the order of GST Authorities in which they have rejected GST refund applications of the Company.

During the year, the Company has received a notice from the office of the Commissioner of Central Tax, Guntur Commissionerate (Anti Evasion) requesting the Company to reverse the input tax credit ('ITC') availed in earlier years. Company has provided relevant replies to the department for the notice so received, stating that the sale of electricity to Bangladesh qualifies as an export and eligible for ITC.

The Company has taken a legal opinion on the above matter and based on such opinion, management is of the view that it has a good case and no adjustment is required in the financial statements.

2.46 The Company had in earlier year filed a petition under Section 79 of the Electricity Act, 2003 seeking compensation on account of Change in Law events in terms of its Power Purchase Agreement (PPA) entered into with Andhra Pradesh and Telangana DISCOMs for supply of 500 MW power from its power generation plant. Central Electricity Regulatory Commission (CERC) vide its order dated August 21, 2020, had accepted the events and claims set out by the Company as Change in Law events. Accordingly, during the previous year, the Company had accounted an amount of Rs 6,478.22 million for change in law claims up to March 31, 2021 of which Rs. 5,225.90 million has been accounted as revenue from operations while Rs. 1,252.31 million related to carrying cost has been classified as Other income.

2.47 During the previous year ended 31 March 2021, the Company has accounted Late payment surcharges from customers Rs. 2,846.56 million which includes Rs.686.94 million as an adjusting event inline with the guidance under Ind AS 10 ('Events after the reporting period').

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.48 The Company pursuant to a share purchase agreement dated December 10, 2021 has sold its 100% investments in Sembcorp Green Infra Limited (SGIL) to holding company Sembcorp Utilities Pte Limited (SUPL) for a consideration of Rs. 52,321.20 million and recognised a loss on sale of investment of Rs. 2,446.02 million, consequently SGIL ceased to be a subsidiary of the company w.e.f December 23, 2021.

2.49 As per the Mega Power Projects Policy 2009, the Company needs to enter into a long term PPAs for a minimum of 85% of the net capacity to avail the customs/excise duty benefits for capital equipment procured for power generation. During the year, the Company determined that the duty benefit will not be available for Rs. 2,047.64 million due to absence of long term PPAs and consequently provided for the same towards cost of PPE. In case of the remaining unfilled conditions, the Company believes it will be able to comply with the conditions attached to benefit.

2.50 The Company has assessed the impact of Covid-19 on the financial information, business operations, liquidity position and cash flows and has concluded no adjustments are required on the carrying amount of assets and liabilities as at March 31,2022. The Company will continue to closely monitor the situation arising on account of Covid-19 pandemic considering both internal and external factors.

2.51 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

2.52 Relationship with struck off companies:

Name of the struck off company	Nature of transaction with struck off company	Balance Outstanding	Relationship with the stuck off company, if any, to be disclosed
G8ARK factories private limited	Advance from customer	As at March 31, 2022 - (0.01) As at March 31, 2021 - (0.01)	Not applicable
Omega power erectors private limited	Payable towards repairs and maintenance expense	As at March 31, 2022 - (0.05) As at March 31, 2021 - Nil	Not applicable

2.53 During the year ended March 31, 2022 and March 31, 2021, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries"

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.54 Additional regulatory information required by Schedule III

i) There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period

ii) The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction of number of Layers) Rules, 2017 during the year ended March 31, 2022 and March 31, 2021.

iii) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

iv) Details of benami property held : No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2022 and March 31, 2021.

v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2022 and March 31, 2021

vi) During the year ended March 31, 2022 and March 31, 2021, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii) The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix) During the year ended March 31, 2022 and March 31, 2021, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Consolidated Financial Statements

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Independent Auditor's Report

To the Members of **Sembcorp Energy India Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Sembcorp Energy India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (refer note 2.8 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the unaudited financial information as certified by the management and referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of the carrying value of property, plant and equipment and goodwill relating to SEIL-P2 of the Holding Company (Refer note 3.2 to the consolidated financial statements) The carrying value of property, plant and equipment (PP&E) and goodwill relating to SEIL-P2 which was acquired by the Holding Company in an earlier year amounts to Rs. 79,407.83 million and Rs. 1,234.20 million respectively as at March 31, 2022. The said PP&E are carried at cost less accumulated depreciation. At the end of every reporting period, the Holding Company assesses their carrying values and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', if there is any indication of impairment to the carrying value. Goodwill is carried at cost and is tested annually for impairment. As mentioned in the note 3.2, the Management considers the said PP&Eand goodwill as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount.	Our procedures included the following: • Obtained an understanding of the design and tested the operating effectiveness of the key controls surrounding impairment assessment. • Evaluated the Holding Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Holding Company's determination of CGU was consistent with our knowledge of the Company's operations. • Evaluated the cash flow forecasts from our understanding of the internal and external factors, compared them to the budgets, actual past results and other supporting documents. • With the involvement of auditor's experts, assessed the reasonableness of the methodology used, key assumptions considered in the discounted cash flow projections for determining the recoverable value of the CGU. • Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same.

Key audit matter	How our audit addressed the key audit matter
During the year, the Holding Company has carried out an impairment assessment by estimating the recoverable amount of the CGU using discounted cash flow model over the remaining useful life of the CGU and comparing the same with its carrying value. Based on their assessment, the management concluded that no provision for impairment was necessary as at March 31, 2022. We considered this a key audit matter given the significance of the carrying value of PP&E and goodwill belonging to the CGU, estimations and the significant judgements involved in respect of key inputs like discount rate, future cash flows for the purpose of impairment assessment.	• Checked the mathematical accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosures in the consolidated financial statements. Based on the above procedures performed, management's assessment of carrying value of PP&E and goodwill relating to SEIL-P2 are considered to be reasonable.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our and other auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

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

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. Refer paragraph 15 of the Other Matter section below in respect of a subsidiary whose financial information is unaudited and have been furnished to us by the Management.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. The consolidated financial statements of the Company for the year ended March 31, 2021, were audited by another firm of chartered accountants under the Act who, vide their report dated May 24, 2021, expressed an unmodified opinion on those consolidated financial statements.

15. We did not audit the financial information of 1 subsidiary whose financial information reflect total assets of Rs. 1.03 million and net assets of Rs. 0.69 million as at March 31, 2022, total revenue of Rs. Nil, total comprehensive income (comprising of profit and other comprehensive income) of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

16. This report does not contain a statement on the matter specified in paragraph 3(xxi) of 'the Companies (Auditor's

Report) Order, 2020' ("CARO 2020") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act. Refer note 2.8 of the consolidated financial statements for disposal of a subsidiary during the year. In respect of the other subsidiary CARO 2020 is not applicable.

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer note 3.38 to the consolidated financial statements.

        ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts as at March 31, 2022 – Refer note 3.14 to the consolidated financial statements in respect of such items as it relates to the Group. The Group did not have any long-term contracts for which there were any material foreseeable losses.

        iii. During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India up to the date of its disposal (refer note 2.8 to the consolidated financial statements).

        iv. (a) The respective Managements of the Company and its subsidiaries up to the date of its disposal (refer note 2.8 to the consolidated financial statements) which are companies incorporated in India have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

            (b) The respective Managements of the Company and its subsidiaries up to the date of its disposal (refer note 2.8 to the consolidated financial statements) which are companies incorporated in India have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding Company, its subsidiary companies, has not declared or paid any dividend during the year.

18. The Group has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQQDI3211

Place: Gurugram
Date : May 26, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of Sembcorp Energy India Limited on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Sembcorp Energy India Limited (hereinafter referred to as "the Holding Company") as of that date. (Refer note 2.8 to the consolidated financial statements)

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including

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

Opinion

8. In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQQDI3211

Place: Gurugram
Date : May 26, 2022

Consolidated Balance Sheet

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	1,49,039.66	2,39,424.94
Capital work-in-progress	3.1	159.48	703.18
Goodwill	3.2	1,234.20	1,234.20
Other intangible assets	3.2	9.95	19.96
Financial assets			
Other financial assets	3.3	2,822.69	7,500.97
Non-current tax assets (net)	3.4	977.66	1,133.43
Deferred tax assets (net)	3.5	–	243.68
Other non-current assets	3.6	320.58	939.02
Total non-current assets		**1,54,564.22**	**2,51,199.38**
Current assets			
Inventories	3.7	7,322.49	4,780.58
Financial assets			
Investments	3.8	2,471.30	4,438.65
Trade receivables	3.9	38,610.92	36,634.72
Cash and cash equivalents	3.10	4,759.01	3,191.68
Bank balances other than cash and cash equivalents	3.10	2,039.50	3,637.21
Other financial assets	3.3	23.40	2,376.50
Other current assets	3.6	6,267.80	3,528.59
Total current assets		**61,494.42**	**58,587.93**
Total assets		**2,16,058.64**	**3,09,787.31**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	3.11	54,336.69	54,336.69
Other equity	3.12	56,654.21	29,428.40
Non-controlling interests		–	132.30
Total equity		**1,10,990.90**	**83,897.39**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	3.13	69,672.98	1,67,869.81
Lease liabilities	3.32	43.90	199.05
Other financial liabilities	3.14	–	5,962.10
Provisions	3.15	108.17	448.97
Deferred tax liabilities (net)	3.5	867.36	724.42
Other non-current liabilities	3.16	–	495.39
Total non-current liabilities		**70,692.41**	**1,75,699.74**
Current liabilities			
Financial liabilities			
Borrowings	3.17	15,316.02	33,229.84
Lease liabilities	3.32	17.49	32.30
Trade payables	3.18		
Dues to micro and small enterprises		13.42	8.25
Dues to creditors other than micro and small enterprises		4,855.05	2,199.47
Other financial liabilities	3.14	8,210.25	9,747.77
Other current liabilities	3.16	5,803.72	4,620.84
Provisions	3.15	9.90	12.47
Current tax liabilities (net)	3.19	149.48	339.24
Total current liabilities		**34,375.33**	**50,190.18**
Total liabilities		**1,05,067.74**	**2,25,889.92**
Total equity and liabilities		**2,16,058.64**	**3,09,787.31**

Significant accounting policies **2**

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Balance Sheet referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Consolidated Statement of Profit and Loss

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Continuing operations			
Income			
Revenue from operations	3.20	76,891.00	73,674.19
Other income	3.21	1,421.07	4,107.49
Total income		**78,312.07**	**77,781.68**
Expenses			
Cost of fuel	3.22	46,729.68	40,519.73
Transmission charges	3.23	3,113.82	2,378.99
Employee benefits expense	3.24	2,476.57	1,652.37
Finance costs	3.25	10,892.72	13,398.03
Depreciation and amortisation expenses	3.26	6,692.40	7,457.84
Operating and other expenses	3.27	3,861.97	3,654.96
Total expenses		**73,767.16**	**69,061.92**
Profit before tax from continuing operations		**4,544.91**	**8,719.76**
Tax expense	3.28		
Pertaining to current year		–	–
Adjustment relating to earlier years		(252.15)	–
Deferred tax expense		927.70	–
Total tax expense		**675.55**	**–**
Profit after tax from continuing operations		**3,869.36**	**8,719.76**
Discontinued operation	3.37		
Profit/(loss) from discontinued operation before tax		2,734.72	(345.04)
Gain on disposal of discontinued operation		21,379.67	–
Tax expense of discontinued operation		636.88	(61.85)
Profit/(Loss) for the year from discontinued operation		**23,477.51**	**(283.19)**
Profit for the year		**27,346.87**	**8,436.57**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligations		(39.60)	(3.67)
Income tax effect on above item	3.28	(0.97)	(0.31)
		(40.57)	**(3.98)**
Items that will be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedge		157.47	557.14
Cost of hedging reserve – changes in fair value		(31.46)	–
Income tax effect on above item	3.28	60.34	–
		186.35	**557.14**
Total comprehensive income for the year		**27,492.65**	**8,989.73**
Attributable to:			
Shareholders of the Company		27,387.65	9,045.17
Non-controlling interests		105.00	(55.44)
		27,492.65	**8,989.73**
Profit for the year attributable to:			
Shareholders of the Company		27,241.98	8,491.91
Non-controlling interests		104.89	(55.34)
		27,346.87	**8,436.57**
Other comprehensive income attributable to:			
Shareholders of the Company		145.67	553.26
Non-controlling interests		0.11	(0.10)
		145.78	**553.16**
Earnings per equity share - Continuing and discontinued operation	3.29		
(face value of share ₹10 each)			
- Basic and diluted (₹)		5.01	1.56
Earnings per equity share - Continuing operations	3.29		
(face value of share ₹10 each)			
- Basic and diluted (₹)		0.71	1.60
Earnings per equity share - discontinued operation	3.29		
(face value of share ₹10 each)			
- Basic and diluted (₹)		4.30	(0.04)
*Comparative information has been re-presented due to a discontinued operation (refer note-3.37)			

Significant accounting policies 2

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Balance Sheet referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Place: Gurugram
Date: 26 May 2022

Consolidated Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit before tax from continuing operations	4,544.91	8,719.76
Profit/ (loss) before tax from discontinued operation	2,734.72	(345.04)
Gain on disposal of discontinued operation	21,379.67	–
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	10,298.86	12,487.04
De recognition of property, plant and equipment	(0.18)	54.27
Net unrealised loss/(gain) on foreign exchange fluctuation	114.07	(110.49)
Doubtful receivables and advance written off	–	5.06
Allowance for expected credit losses	587.76	246.65
Gain on disposal of discontinued operation (refer note-3.37)	(21,379.67)	–
Unrealised loss on derivatives, net	36.58	178.04
Finance costs	15,310.84	19,970.03
Net gain on fair value changes classified as FVTPL	(137.77)	(161.87)
Interest income	(430.91)	(614.86)
Operating cash flows before working capital changes	**33,058.88**	**40,428.59**
Movements in working capital:		
(Increase)/decrease in inventories	(2,799.55)	3,006.65
(Increase) in trade receivables	(7,406.95)	(7,133.40)
Decrease/(increase) in financial and non-financial assets	259.54	(1,380.82)
Increase/(decrease) in trade payables and other financial liabilities	4,658.51	(4,448.68)
(Decrease)/increase in other liabilities	(50.80)	54.18
Increase in provisions	78.29	40.73
Cash generated from operations	**27,797.92**	**30,567.25**
Income-tax paid (net of refund)	(89.55)	(51.77)
Net cash generated from operating activities (A)	**27,708.37**	**30,515.48**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress)	(3,016.58)	(1,549.19)
Proceeds from sale of property, plant and equipment	0.51	2.09
Purchase of mutual funds, net	(121.48)	(1,045.06)
Investment in bank deposits, net	(849.91)	(322.63)
Interest income received	496.76	690.35
Acquisition of shares in subsidiaries from non-controlling interest	(0.40)	(0.98)
Sale of shares in subsidiaries to non-controlling interest	104.00	0.48
Cash flows from disposal of discontinued operation, net of cash disposed off (refer note-3.37)	48,553.34	–
Net cash generated/(used) in investing activities (B)	**45,166.24**	**(2,224.94)**

Consolidated Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
C. Cash flows from financing activities		
Proceeds from long-term borrowings	12,150.00	13,693.96
Repayment of long-term borrowings	(62,342.26)	(19,233.11)
Net proceeds/ (repayment) of short-term borrowings	914.44	(5,142.64)
Repayment of lease liabilities	(40.56)	(18.38)
Interest and finance charges paid	(21,988.90)	(18,821.34)
Net cash used in financing activities (C)	**(71,307.28)**	**(29,521.51)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,567.33	(1,230.97)
Cash and cash equivalents at the beginning of the year	3,191.68	4,422.65
Cash and cash equivalents at the end of the year	**4,759.01**	**3,191.68**
Components of cash and cash equivalents comprise:		
Balance with scheduled banks		
On current accounts	444.20	507.65
Deposits with original maturity of less than three months	4,314.81	2,684.03
Total cash and cash equivalents	**4,759.01**	**3,191.68**
The above cash flow includes following related to discontinued operation		
Net cash generated from operating activities	11,728.48	9,943.88
Net cash generated/ (used) in investing activities	46,935.14	(3,225.84)
Net cash used in financing activities	(7,634.03)	(8,193.97)
Net cash generated/ (used) in discontinued operation	**51,029.59**	**(1,475.93)**

Significant accounting policies (refer note-2)

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

This is the Consolidated Cash Flow Statement referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Consolidated Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 1, 2020	**5,43,36,68,574**	**54,336.69**
Changes in equity share capital during the current year	–	–
Balance as at March 31, 2021	**5,43,36,68,574**	**54,336.69**
Changes in equity share capital during the current year	–	–
Balance as at March 31, 2022	**5,43,36,68,574**	**54,336.69**

B. Other Equity

Particulars	Reserves and surplus									Other items of other comprehensive income			Equity attributable to the owner of the Company	Non-controlling interest	Total
	Securities premium	Capital reserve on acquisition	Capital reserve	Capital redemption reserve	Debenture redemption reserve	General reserve	Share based payments reserve	Other reserves	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging			
Balance as at April 1, 2020	40,207.03	(14,550.18)	1,121.58	1.86	–	199.00	–	1,167.19	(7,359.15)	(38.18)	(598.78)	–	20,150.37	185.76	20,336.13
Changes in accounting policy or prior period errors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Restated Balance as at April 1, 2020	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.86**	**–**	**199.00**	**–**	**1,167.19**	**(7,359.15)**	**(38.18)**	**(598.78)**	**–**	**20,150.37**	**185.76**	**20,336.13**
Transfers to reserves (refer note 3.12)	–	–	–	0.32	–	–	–	–	(0.32)	–	–	–	–	–	–
Change in stake of step-down subsidiaries	–	–	–	–	–	–	–	(2.46)	–	–	–	–	(2.46)	1.96	(0.50)
Profit for the year	–	–	–	–	–	–	–	–	8,491.91	–	–	–	8,491.91	–	8,491.91
Remeasurement of post-employment benefit obligations	–	–	–	–	–	–	–	–	–	(3.28)	–	–	(3.28)	(55.34)	(58.62)
Hedge reserve	–	–	–	–	–	–	–	–	–	–	557.14	–	557.14	–	557.14
Fair value of interest free INR denominated notes from holding company	–	–	–	–	–	–	–	234.72	–	–	–	–	234.72	(0.08)	234.64
Balance as at March 31 2021	**40,207.03**	**(14,550.18)**	**1,121.58**	**2.18**	**–**	**199.00**	**–**	**1,399.45**	**1,132.44**	**(41.46)**	**(41.64)**	**–**	**29,428.40**	**132.30**	**29,560.70**

Consolidated Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Reserves and surplus									Other items of other comprehensive income					
	Securities premium	Capital reserve on acquisition	Capital reserve	Capital redemption reserve	Debenture redemption reserve	General reserve	Share based payments reserve	Other reserves	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging	Equity attributable to the owner of the Company	Non-controlling interest	Total
Changes in accounting policy or prior period errors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Restated Balance as at April 1, 2021	40,207.03	(14,550.18)	1,121.58	2.18	–	199.00	–	1,399.45	1,132.44	(41.46)	(41.64)	–	29,428.40	132.30	29,560.70
Transfers to reserves (refer note 3.12)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Change in stake of step-down subsidiaries	–	–	–	–	–	–	–	0.60	–	–	–	–	0.60	(1.00)	(0.40)
Share-based payments charged to profit or loss	–	–	–	–	–	–	166.98	–	–	–	–	–	166.98	–	166.98
Adjustment for recharge for share-based payments	–	–	–	–	–	–	2.38	–	–	–	–	–	2.38	–	2.38
Profit for the year	–	–	–	–	–	–	–	–	27,241.98	–	–	–	27,241.98	104.89	27,346.87
Remeasurement of post-employment benefit obligations	–	–	–	–	–	–	–	–	–	(40.68)	–	–	(40.68)	0.11	(40.57)
Hedge reserve	–	–	–	–	–	–	–	–	–	–	128.31	58.04	186.35	–	186.35
Fair value of interest free INR denominated notes from holding company	–	–	–	–	–	–	–	(297.70)	–	–	–	–	(297.70)	–	(297.70)
Disposal of discontinued operation	–	–	–	(1.17)	125.00	(125.00)	(26.30)	(6.62)	(8.09)	8.08	–	–	(34.10)	(236.30)	(270.40)
Balance as at March 31 2022	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.01**	**125.00**	**74.00**	**143.06**	**1,095.73**	**28,366.33**	**(74.06)**	**86.67**	**58.04**	**56,654.21**	**–**	**56,654.21**

Significant accounting policies (refer note-2)

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

1. Corporate information

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

On October 31, 2018, the Regional Director (RD), Ministry of Corporate Affairs, Hyderabad had approved the scheme of amalgamation (the Scheme) of Sembcorp Gayatri Power Limited (SGPL), one of the wholly owned subsidiary of the Company. The appointed date as per the Scheme was April 01, 2017. Erstwhile SGPL (hereinafter referred to as "SEIL-P2") has been operating and maintaining a 1,320 megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh. The commercial operations of SEIL-P2 had commenced on November 17, 2016 for unit I and on February 21, 2017 for unit II.

The Group through its subsidiaries owns and operates various renewable energy power projects with installed capacity of 1,694.7 MW of wind power projects and 35.00 MW of solar power projects and another 400.0 MW solar project under construction. These projects are intended to sell the power generated, under long-term Power Purchase Agreements (PPAs) with state electricity boards, group captive users and other authorities who award PPAs under competitive bidding.

The consolidated financial statements comprise of the Company and its subsidiaries (collectively referred as the 'Group'). Refer note 2.8

2. Basis of preparation, measurement and significant accounting policies

2.1 Basis of preparation and statement of compliance

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

The consolidated financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2022.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on May 26, 2022.

2.2 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR) rounded off to the nearest million to two decimal places except when otherwise indicated, which is the functional and presentation currency of the Group.

2.3 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following.

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

2.4 New and amended standards adopted by the Group

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial
- Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2.5 New amendments issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards.

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. Below is a summary of such amendments:

Title	Key requirements
Ind AS 16, Property, Plant and Equipment	Proceeds before intended use of property, plant and equipment The amendment clarifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).
Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets	Onerous Contracts – Cost of fulfilling a contract The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.
Ind AS 103, Business combinations	References to the conceptual framework The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
Ind AS 109, Financial Instruments	Fees included in the 10% test for derecognition of financial liabilities The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

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

2.6 Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the current maturities of long-term borrowings has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings were included in 'other financial liabilities' line item.

Lease liabilities has now been reported separately on the face of the balance sheet, which was previously classified under 'other financial liabilities'.

Unbilled receivables have now been included in "Trade receivables" which was previously classified under 'other financial assets.

2.7 Principles of consolidation

The Group consolidates the entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as disclosed in note 3.49. Subsidiaries are all entities (including structured entities) over which the group has control. Where the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences (other than entities acquired fall under common control) until the date control ceases.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits / losses, unless cost/revenue cannot be recovered. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The difference between the cost of investment in subsidiaries (investee company) to the Group and the proportionate share in the equity of the investee Company as at the date of acquisition of stake is recognised in the Consolidated

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Financial Statements as goodwill or capital reserve, as the case may be. Goodwill arising on consolidation is tested for impairment at the Balance Sheet date. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated statement of profit and loss.

The consolidated financial statements are presented, to the extent possible, is in the same format as that adopted by the Company for its standalone financial statements.

2.8 Details of the Group's subsidiaries in the preparation of consolidated financial statements are as follows:

Name of entity	Date of Incorporation	Country of Incorporation	% of Ownership interest and voting power as at	
			March 31 2022	March 31 2021
Direct subsidiaries				
Sembcorp Green Infra Limited (SGIL)*	3 April 2008	India	-	100.00%
TPCIL Singapore Pte. Ltd (TPCIL SG)	18 November 2014	Singapore	100.00%	100.00%
Indirect subsidiaries*				
Green Infra Wind Energy Limited (GIWEL)	June 6, 2005	India	-	100.00%
Green Infra Corporate Solar Limited	September 12, 2011	India	-	100.00%
Green Infra Wind Power Generation Limited	July 4, 2011	India	-	72.09%
Green Infra Wind Ventures Limited (GIWVL)	December 28, 2010	India	-	100.00%
Green Infra Wind Assets Limited (GIWAL)	October 14, 2008	India	-	100.00%
Green Infra Wind Farms Limited	October 14, 2008	India	-	60.93%
Green Infra Wind Power Projects Limited	July 4, 2011	India	-	69.06%
Green Infra Wind Generation Limited	July 4, 2011	India	-	70.55%
Green Infra Solar Energy Limited	April 29, 2010	India	-	100.00%
Green Infra Solar Farms Limited	April 29, 2010	India	-	100.00%
Green Infra Solar Projects Limited	September 12, 2011	India	-	100.00%
Green Infra Wind Energy Asset Limited	September 14, 2011	India	-	100.00%
Green Infra Wind Farm Assets Limited	September 14, 2011	India	-	100.00%
Green Infra Wind Power Limited	May 3, 2010	India	-	100.00%
Green Infra Corporate Wind Limited	October 14, 2008	India	-	100.00%
Green Infra Wind Energy Project Limited	July 4, 2011	India	-	100.00%
Green Infra Renewable Energy Limited	March 2, 2017	India	-	100.00%
Green Infra BTV Limited (GIBTVL)	September 1, 2008	India	-	90.46%
Green Infra Wind Energy Theni Limited	January 6, 2011	India	-	73.02%
Green Infra Wind Power Theni Limited	January 6, 2011	India	-	73.21%
Mulanur Renewable Energy Limited	January 29, 2016	India	-	67.30%
Green Infra Wind Solutions Limited	May 22, 2012	India	-	100.00%
Green Infra Wind Technology Limited	May 22, 2012	India	-	100.00%
Green Infra Wind Limited	February 23, 2011	India	-	100.00%
Green Infra Renewable Projects Limited	February 18, 2020	India	-	100.00%
Green Infra Solar Power Projects Limited	December 12, 2021	India	-	-
Green Infra Solar Generation Limited	December 13, 2021	India	-	-

*During the current year, the Company has sold its investment in equity shares of Sembcorp Green Infra Limited (SGIL) to Sembcorp Utilities Pte Ltd, (SUPL) and accordingly SGIL ceased to be a subsidiary of the Company w.e.f 23 December 2021. As a result, the consolidated financial statements include the financial statements of the Company and SGIL (till the date of disposal) and its foreign subsidiary TPCIL SG. Refer note 3.37 for details.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2.9 Use of estimates and judgements

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

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the consolidated financial statements in the year in which changes are made, if material, their effects are disclosed in the notes to the consolidated financial statements.

Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

i. Impairment of investments

The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

ii. Impairment of trade receivable and unbilled receivables

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

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

The Group reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Refer note 3.1.

iv. Valuation of deferred tax assets and liabilities

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

v. Defined benefit plans

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. Refer note 3.35.

vi. Provisions and contingent liabilities

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

The Group uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

vii. Leases

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

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

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

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

viii. Fair value measurement of financial instruments

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

ix. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated remaining useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management. Refer note 3.2.

2.10 Earnings per share

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

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

2.11 Current and non-current classification

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

Assets

An asset is classified as current when it satisfies any of the following criteria:

i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle.

ii) it is held primarily for the purpose of being traded.

iii) it is expected to be realised within 12 months after the reporting date; or

iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 12 months after the reporting date.

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

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i) it is expected to be settled in the Group's operating cycle.

ii) it is held primarily for the purpose of being traded.

iii) it is due to be settled within 12 months after the reporting date; or

iv) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.12 Business combinations and goodwill

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

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

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

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

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

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

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

ii) Common control business combinations

Business combinations arising from transfers of interests in entities by way of acquisition, amalgamation or merger (combination) that are under the control of the shareholder that controls the Group are accounted for as if the acquisition, amalgamation or merger had occurred at the beginning of the earliest comparative years presented or, if later, at the date that common control was established. The Group has followed pooling of interest method to account acquisition of entities under common control in its consolidated financial statements as per para 9 of Ind AS 103 (Appendix C).

- The assets and liabilities of the combining entities are recognised at their carrying amounts.
- The identity of the reserves is preserved, and they appear in the consolidated financial statements of the Company in the same form in which they appeared in the financial statements of the combining entities.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve on acquisition.

As per para 9(iii) of Ind AS 103 (Appendix C), the financial information in the consolidated financial statements in respect of prior years should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

2.13 Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

a) represents a separate major line of business or geographic area of operations;

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b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or

c) is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year. The results of discontinued operations are presented separately in the statement of profit and loss.

2.14 Revenue recognition

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

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

Revenue from the sale of electricity is recognised from the time when production output is delivered to the power network. Revenue from energy units sold as per the terms of the Power Purchase Agreements ('PPA') and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled receivables accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.

Revenue/charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognised/ charged at rates notified by Central Electricity Regulatory Commission ('CERC') from time to time as revenue from sale of electricity and adjusted with revenue from sale of electricity.

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

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

Income from generation-based incentive (GBI) is recognised on the basis of supply of units generated by the Group to the Electricity Board in respect of the eligible projects in accordance with the scheme of 'Generation Based Incentive for Grid Interactive Wind Power Projects'.

Revenue from sale of renewable energy certificates (RECs) and voluntary emission reduction certificates (VERs) are recognised when the control has been passed to the buyer, which generally coincides with the delivery of RECs or VERs.

Claims for delayed payment charges, insurance claims and any other claims, which the Group is entitled to under the PPAs, are accounted for to the extent Group is reasonably certain of their ultimate collection.

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

Claims i.e. late payment interest/surcharge recoverable from customer, insurance claims and liquidated damages, are accounted for to the extent the Group is reasonably certain of their ultimate collection.

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

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

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group fulfils its performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

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Trade Receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract Liabilities in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognised as revenue when the Group performs under the contract.

2.15 Property, plant and equipment (PPE) and depreciation

i. Recognition and measurement

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

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

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

Fiscal benefits as available under various industrial promotional schemes are presented by deducting from the carrying amount of the PPE when there is a reasonable assurance that the Group will comply with the conditions attached to the benefit.

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

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. Subsequent expenditure

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

iii. Depreciation

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

Regulated assets

Depreciation on the renewable power plants included under plant and machinery are provided at the rates as well as methodology notified (i.e. assets is depreciated at the rate of 5.83% per annum for first 12 years from commissioning date of the assets and remaining value of the asset is depreciated over the next 13 years) by the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2012.

Non-regulated assets

Depreciation on property, plant and equipment is provided on straight line method based on the useful life as specified in Schedule II of the Act, except in respect of the following category of assets, in whose case the estimated useful life of the assets has been assessed based on technical assessment, taking into

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account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, residual value etc.

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	30 years
Renewable power plants (won under competitive bidding)	22 years	30 years
Office equipments	5 years	3 years to 5 years
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

Leasehold land and improvements are amortised over the lease-term including the optional period, if any, available to the Group, where it is reasonably certain at the inception of lease that such option would be exercised by the Group.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate and the residual values are not more than 5% of the original cost of the asset.

iv. De-recognition

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

2.16 Intangible assets

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

Category	Life considered
Computer software	3 years
Customer contracts	5 years

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

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

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

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

2.17 Inventories

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

Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

2.18 Foreign currency transactions

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

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

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

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Under Indian GAAP, paragraph 46/46A of AS 11, The Effects of Changes in Foreign Exchange Rates, provide accounting treatment with respect to exchange differences arising on restatement of long-term foreign currency monetary items. Ind AS 101 provides an optional exemption that allows to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the consolidated financial statements as on transition date. Certain subsidiaries in the Group have had adopted such exemption with respect of long-term foreign currency borrowings taken in past. Therefore, exchange differences (favorable as well as unfavorable) arising in respect of translation/settlement of long-term foreign currency borrowings attributable to the acquisition of a depreciable asset is added or deducted from the cost of the asset, which would be depreciated over the balance life of the asset.

2.19 Employee benefits

Short-term employee benefits

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

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

Defined benefit plans

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

Defined contribution plans

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

Compensated absences

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

Bonus plans

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

Share based payment transactions

The Group has not issued any shares / stock options on its shares. The ultimate holding company has however issued certain options on its own shares to certain employees of the Group which are in the nature of equity settled awards. Share-based payment expenses are recognised over the period during which the employees provide the relevant services. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding

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increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

2.20 Borrowing costs

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

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

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

2.21 Financial instruments

i. Recognition and initial measurement

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

Initial recognition

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

ii. Financial assets - Classification and subsequent measurement:

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss

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

iii. Financial liabilities - Classification and subsequent measurement:

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

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a) Financial liabilities at FVTPL

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

b) Other financial liabilities

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

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

iv. De-recognition of financial instruments

a) Financial asset

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

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

b) Financial liability

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

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

v. Offsetting

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

2.22 Derivative financial instruments and hedge accounting

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

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

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

In case of certain forward exchange contracts, the Group designates only the changes in fair value of the spot element of a forward contract as a hedging instrument. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

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

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

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Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

ii. Cash flow hedge accounting

Where a derivative is designated as a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised directly in other comprehensive income and presented in the hedge reserve in equity. The ineffective portion of changes in the fair values of the derivative is recognised immediately in the consolidated statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

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

2.23 Fair value of financial instruments

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

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

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

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

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

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

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

2.24 Impairment

i. Financial assets (other than at fair value)

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

The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

ii. Non-financial assets

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

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

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

Goodwill has indefinite useful life and tested for impairment annually.

2.25 Leases

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

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

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

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

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

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

2.26 Income taxes

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

Current tax

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

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

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

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

a) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

b) Temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

c) Taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

In situations where any entity under the Group is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the said company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

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

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

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

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

2.27 Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognised when it is probable that an outflow

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of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

In case of provision for asset retirement obligation, the Group estimates the expected amount that it may have to incur in respect of asset retirement where the Group has its projects / operations. The management obtains quotes from vendors in respect of the estimated expense that it may have to incur in this respect considering the term of Power Purchase Agreement, lease period and inflation.

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

2.28 Cash flow statement

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

2.29 Cash and cash equivalents

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

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.1 Property, plant and equipment (PPE) and capital work-in-progress

Particulars	Freehold land (owned)	Land (leased) (subnote 1)	Roads	Right of use assets (refer note 3.32)	Office building	Factory building	Furniture and fittings	Vehicles	Office equip-ment	Electrical install-ations	Plant and machinery	Comp-uters	Leasehold improv-ements	Total property, plant and equipment	Capital work-in-progress
Gross carrying amount															
Balance as at April 1, 2020	3,720.30	587.25	2,317.81	941.23	1,530.26	790.55	112.90	79.59	225.64	95.93	2,82,371.96	135.96	37.26	2,92,946.64	4,935.31
Additions	245.16	–	–	21.77	0.27	5.53	0.11	9.14	5.65	–	5,486.04	30.24	0.21	5,804.12	1,715.86
Disposals/adjustments	–	–	–	(9.19)	(10.20)	–	(22.43)	(1.16)	(16.47)	–	(238.42)	(13.58)	–	(311.45)	(0.88)
Capitalised during the year	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(5,649.25)
Balance as at March 31 2021	3,965.46	587.25	2,317.81	953.81	1,520.33	796.08	90.58	87.57	214.82	95.93	2,87,619.58	152.62	37.47	2,98,439.31	1,001.04
Additions	61.72	0.50	–	2.85	–	3.14	0.11	2.69	12.48	–	3,123.27	19.08	3.12	3,228.96	1,102.88
Disposals/adjustments	–	–	–	(25.47)	–	–	–	(1.68)	–	–	(103.51)	(5.43)	–	(136.09)	–
Capitalised during the year	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(1,527.33)
Disposal of discontinued operation	(1,392.81)	(587.75)	–	(199.39)	(3.67)	–	–	–	(103.58)	–	(1,06,289.01)	(41.93)	(40.59)	(1,08,658.73)	(417.11)
Balance as at March 31 2022	**2,634.37**	**–**	**2,317.81**	**731.80**	**1,516.66**	**799.22**	**90.69**	**88.58**	**123.72**	**95.93**	**1,84,350.33**	**124.34**	**–**	**1,92,873.45**	**159.48**
Accumulated depreciation and impairment															
Balance as at April 1, 2020	25.12	107.12	961.99	138.21	105.06	130.31	42.26	33.22	145.51	60.64	44,777.46	89.53	14.29	46,630.72	297.86
Depreciation for the year	–	24.66	197.33	32.32	29.90	25.92	11.19	10.11	30.21	13.43	12,071.73	26.25	4.21	12,477.26	–
Disposals/adjustments	–	–	–	(2.72)	(0.91)	–	(14.68)	(0.66)	(15.39)	–	(46.18)	(13.07)	–	(93.61)	–
Balance as at March 31 2021	25.12	131.78	1,159.32	167.81	134.05	156.23	38.77	42.67	160.33	74.07	56,803.01	102.71	18.50	59,014.37	297.86
Depreciation for the year	–	18.60	188.66	41.04	29.75	23.36	9.76	10.00	19.65	7.79	9,917.44	20.65	3.43	10,290.13	–
Disposals/adjustments	–	–	–	(25.47)	–	–	–	(1.60)	–	–	–	(5.12)	–	(32.19)	–
Disposal of discontinued operation	(25.12)	(150.38)	–	(103.00)	(0.94)	–	–	–	(71.68)	–	(25,041.69)	(23.78)	(21.93)	(25,438.52)	(297.86)
Balance as at March 31 2022	**–**	**–**	**1,347.98**	**80.38**	**162.86**	**179.59**	**48.53**	**51.07**	**108.30**	**81.86**	**41,678.76**	**94.46**	**–**	**43,833.79**	**–**
Net block															
As at March 31 2021	3,940.34	455.47	1,158.49	786.00	1,386.28	639.85	51.81	44.90	54.49	21.86	2,30,816.57	49.91	18.97	2,39,424.94	703.18
As at March 31 2022	**2,634.37**	**–**	**969.83**	**651.42**	**1,353.80**	**619.63**	**42.16**	**37.51**	**15.42**	**14.07**	**1,42,671.57**	**29.88**	**–**	**1,49,039.66**	**159.48**

1. In earlier years, the Group had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited. ('APIIC') for occupation of two tranches of land for SEIL-P1. One tranche of land was transferred to the Group as freehold land. For the other tranche of land, admeasuring Acre 680.55 cents, a lease deed for a period of 21 years was entered with APIIC on 25 November 2009. As per the lease deed, APIIC had agreed to sell the land even during the subsistence of the lease deed on securing necessary clearances and approvals for such sale to the Group on such mutually agreed terms and conditions. Further, in the unlikely event of not transferring the land through sale to the Group, APIIC agreed to renew the lease for a further period on such mutually agreed terms and conditions. All the requirements of the agreement including the payment of consideration of ₹ 612.50 million has been complied with by the Group to purchase the land. The said consideration was paid on 12 November 2009 and the same had been considered as cost of land. The Group had complied with all the requirements for purchase of land and paid the full consideration. The delay from APIIC is of administrative in nature and said sale will happen in due course of time.

   During the earlier year, APIIC had raised a demand amounting to ₹ 19.81 million for lease rentals (including interest) pertaining to previous years which was paid by the Group. On transition to Ind AS 116 the Group had categorized the payment of consideration of ₹ 612.50 million as right of use (ROU) assets and recognized the present value of the remaining lease payment as ROU assets and lease liability accordingly and being amortised over its useful life.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.1 Property, plant and equipment (PPE) and capital work-in-progress (Contd..)

2. Title deeds of certain portions of land in the name of the Group are under dispute. In respect of such disputes, the Group has been legally advised that it has valid title in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property. (refer note 3.38)

3. During the year, the management has carried out a review of useful life of its Thermal Power Plant assets and determined the revised useful life to be 30 years from 25 years based on a technical assessment performed by an external consultant. This is considered as change in estimate and accounted prospectively from October 01, 2021 onwards. As a result of this change, the depreciation expense for the current year has reduced by ₹ 685.76 million, while annual depreciation will be reduced ₹ 1,375.29 million from FY 22-23 onwards.

4. Refer note 3.13 and 3.17 for assets pledged against the borrowings of the Group and refer note 3.38 for contractual commitments and obligations.

5. **Capital Work-in-progress details as on March 31, 2022**

(a) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	100.05	39.31	13.81	6.31	159.48
Projects temporarily suspended	–	–	–	–	–

b) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 21, 2022.

Capital Work-in-progress details as on March 31, 2021

(a) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	266.42	16.32	420.44	–	703.18
Projects temporarily suspended	–	–	–	–	–

b) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 21, 2021.

6. **Additions in plant and machinery (including capital work-in-progress) includes directly attributable expenses capitalised as under:**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Other expenses		
Legal and professional expenses	3.01	4.40
Salaries, allowance and bonus	31.90	31.57
Miscellaneous expenses	2.20	2.36
Finance costs		
- Finance costs	0.37	59.92
- Net foreign exchange (gain)/loss (decapitalised)/capitalised in plant and machinery	(63.76)	(149.62)
Total	**(26.28)**	**(51.37)**

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3.2 Other intangible assets and Goodwill

Particulars	Customer contracts	Softwares and licenses	Total of other intangible assets	Goodwill
Gross carrying amount				
Balance as at April 1 2020	32.10	110.46	142.56	1,234.20
Additions	-	19.38	19.38	-
Disposals	-	-	-	-
Balance as at March 31 2021	32.10	129.84	161.94	1,234.20
Additions	-	4.61	4.61	-
Disposals	(32.10)	-	(32.10)	-
Disposal of discontinued operation	-	(21.23)	(21.23)	-
Balance as at March 31 2022	**-**	**113.22**	**113.22**	**1,234.20**
Accumulated amortisation				
Balance as at April 1 2020	23.59	108.61	132.20	-
Amortisation for the year	6.42	3.36	9.78	-
Disposals	-	-	-	-
Balance as at March 31 2021	30.01	111.97	141.98	-
Amortisation for the year	2.09	6.64	8.73	-
Disposals	(32.10)	-	(32.10)	-
Disposal of discontinued operation	-	(15.34)	(15.34)	-
Balance as at March 31 2022	**-**	**103.27**	**103.27**	**-**
Net block				
As at March 31 2021	2.09	17.87	19.96	1,234.20
As at March 31 2022	**-**	**9.95**	**9.95**	**1,234.20**

Assessment of carrying value of goodwill and PPE relating to SEIL P-2:

The carrying value of property, plant and equipment (PPE) and goodwill relating to SEIL-P2 which was acquired by the Group in an earlier year amounting to Rs 79,407.83 million (March 31, 2021: Rs 80,826.71 million) and Rs 1,234.20 (March 31, 2021: Rs 1,234.20 million) respectively.

The goodwill represents the excess of consideration paid over the net assets acquired under the Scheme of Amalgamation of 'Nelcast Energy Corporation Limited (Nelcast)' with Sembcorp Gayatri Power Limited (SEIL-P2) approved by the High Court of Madras on October 12, 2011. Nelcast was the 100% subsidiary of SEIL-P2. The Group opted to apply Ind AS 103 exemption for the business combinations which occurred prior to transition into Ind AS and accordingly, amalgamation of Nelcast with the Group and the resultant Goodwill has not been restated.

The said PPE and goodwill are considered as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. The recoverable amount of the said CGU is based on discounted value of estimated cash flows over the remaining useful life of 25 years.

Revenue, plant load factor, coal prices, margins and cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by the management. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles.

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

Assumption	Basis
Cash flow projections period	Remaining useful life of PPE assumed 25 years (March 31, 2021: 21 years) Refer note 3.1 for change in useful of PPE
Weighted average cost of capital % (WACC) post tax	9.38% (March 31 2021: 9.7%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

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3.2 Other intangible assets and Goodwill (Contd..)

As at March 31, 2022 the estimated recoverable amount of the CGU exceeds its carrying amount and accordingly no adjustment is required to such carrying amount. The management has also performed sensitivity analysis of the key assumptions applied and no impairment would need to be recognised in the event of a reasonable change in the underlying key assumptions as there exists significant headroom between the recoverable amount and carrying amount.

3.3 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured considered good, unless otherwise stated)		
Non-current		
Security deposits	10.67	53.26
Derivative assets on fair valuation of financial instruments^		
Derivatives not designated as cashflow hedge		
- Fair value of cross currency interest rate swaps	–	332.54
Others:		
Margin money deposits and other deposits with banks*	2,745.35	6,905.46
Interest accrued on bank deposits	66.67	209.71
	2,822.69	**7,500.97**
Current		
Security deposits	–	16.52
Derivative assets on fair valuation of financial instruments^		
Derivative designated as cash flow hedge		
– Fair value of commodity hedge contracts	–	251.86
– Fair value of Cross currency interest rate swaps	–	1,067.52
Derivatives not designated as cash flow hedge		
– Fair value of Foreign exchange forward contracts	–	17.00
– Fair value of Foreign exchange option contracts	–	5.31
Others:		
Income accrued on generation based incentive	–	243.77
Interest accrued on bank deposits	23.40	39.63
Advance given for purchase of mutual funds	–	40.00
Premium on forward contracts	–	325.06
Other recoverable	–	369.83
	23.40	**2,376.50**

* includes reserved against margin money for bank guarantees, other commitments and debt service reserves on long-term borrowings.

^ The Group's exposure to currency and liquidity risk related to above derivative assets are disclosed in note 3.30.

3.4 Non-current tax assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured considered good, unless otherwise stated)		
Advance income taxes (net of provision for tax)	977.66	685.38
Taxes paid under protest (refer note 3.38)	–	448.05
	977.66	**1,133.43**

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3.5 Deferred tax assets and liabilities

i) Deferred tax asset and liabilities attributable to the following

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities:		
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	15,625.43	22,215.32
Fair value adjustment of current investments	6.71	13.42
Unamortised part of prepayment expenses	76.16	209.05
Unamortised part of borrowing costs	–	106.55
Fair value adjustment of derivatives	–	4.15
	15,708.30	**22,548.49**
Deferred tax assets:		
Provision for asset retirement obligation	–	81.47
Allowance for expected credit loss	294.10	250.38
Lease liabilities	4.23	39.91
Operation and maintenance expenses equalization	–	134.79
MAT credit entitlement	–	586.24
Expenses to be allowed as deductible in future	3,779.99	3,571.70
Hedge reserve	60.34	–
Unabsorbed depreciation/tax losses #	10,702.28	17,403.26
	14,840.94	**22,067.75**
Net deferred tax liabilities	**867.36**	**480.74**

#Till previous year deferred tax assets were recognised on unabsorbed depreciation/carried forward tax losses only if, there was a reasonable certainty that such deferred tax assets could be realised against future taxable profit.

During the year ended March 31 2022, the Group did not recognise deferred tax assets of ₹ Nil (31 Mar 2021: ₹ 769.33 million) on unused tax loss and unabsorbed depreciation in absence of reasonable certainty that such deferred tax assets can be realised against future taxable profit at each entity.

Classification of deferred tax assets and liabilities:

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities (net)	867.36	724.42
Deferred tax assets (net)	–	243.68
	867.36	**480.74**

ii) Movement in temporary differences

Particulars	As at April 1, 2021	Impact in Statement of profit and loss	Impact in other compre-hensive income	Disposal of discontinued operation	As at March 31, 2022
Deferred tax liabilities on:					
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	22,215.32	2,629.36	–	(9,219.25)	15,625.43
Fair value adjustment of current investments	13.42	(2.20)	–	(4.51)	6.71
Unamortised part of prepayment expenses	209.05	(11.44)	–	(121.45)	76.16
Unamortised part of borrowing costs	106.55	(105.03)	–	(1.52)	–
Fair value adjustment of derivatives	4.15	(4.15)	–	–	–
Total deferred tax liabilities	**22,548.49**	**2,506.54**	**–**	**(9,346.73)**	**15,708.30**
Deferred tax assets on:					
Provision for asset retirement obligation	81.47	6.04	–	(87.51)	-
Allowance for expected credit loss	250.38	128.48	–	(84.76)	294.10

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.5 Deferred tax assets and liabilities (Contd..)

Particulars	As at April 1, 2021	Impact in Statement of profit and loss	Impact in other comprehensive income	Disposal of discontinued operation	As at March 31, 2022
Lease liabilities	39.91	1.15	–	(36.83)	4.23
Operation and maintenance expenses equalization	134.79	(17.50)	–	(117.29)	-
MAT credit entitlement	586.24	41.73	–	(627.97)	-
Expenses to be allowed as deductible in future	3,571.70	258.85	(0.97)	(49.59)	3,779.99
Hedge reserve	–	–	60.34	–	60.34
Unabsorbed depreciation/tax losses #	17,403.26	566.58	–	(7,267.56)	10,702.28
Total deferred tax assets	**22,067.75**	**985.33**	**59.37**	**(8,271.51)**	**14,840.94**
Net deferred tax assets and liabilities	**480.74**	**1,521.21**	**(59.37)**	**(1,075.22)**	**867.36**

Particulars	As at April 1, 2021	Impact in Statement of profit and loss	Impact in other comprehensive income	As at March 31, 2021
Deferred tax liabilities on:				
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	17,888.25	4,327.07	–	22,215.32
Fair value adjustment of current investments	11.92	1.50	–	13.42
Unamortised part of prepayment expenses	341.81	(132.76)	–	209.05
Unamortised part of borrowing costs	128.57	(22.02)	–	106.55
Fair value adjustment of derivatives	–	4.15	–	4.15
Total deferred tax liabilities	**18,370.55**	**4,177.94**	**–**	**22,548.49**
Deferred tax assets on:				
Provision for asset retirement obligation	73.05	8.42	–	81.47
Allowance for expected credit loss	185.31	65.07	–	250.38
Lease liabilities	43.96	(4.05)	–	39.91
Operation and maintenance expenses equalization	112.45	22.34	–	134.79
MAT credit entitlement	560.78	25.46	–	586.24
Expenses to be allowed as deductible in future	3,506.65	64.74	0.31	3,571.70
Unabsorbed depreciation/tax losses #	13,294.74	4,108.52	–	17,403.26
Total deferred tax assets	**17,776.94**	**4,290.50**	**0.31**	**22,067.75**
Net deferred tax liabilities	**593.61**	**(112.56)**	**(0.31)**	**480.74**

3.6 Other assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured considered good, unless otherwise stated)		
Non-current		
Capital advances	183.17	202.91
Less: Provision for capital advance	(5.06)	(5.06)
Balance with government authorities paid under protest (refer note 3.38)	119.98	119.98
Contribution to gratuity fund (refer note 3.35)	–	15.29
Prepayments	22.49	605.90
	320.58	**939.02**
Current		
Advance to suppliers	3,291.59	1,186.52
Balance with government authorities (refer note 3.41)	2,527.95	1,556.16
Staff imprest	–	0.22
Prepayments	448.26	785.69
	6,267.80	**3,528.59**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.6 Other assets (Contd..)

During the year ended March 31, 2022 and March 31, 2021, the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Group has not given any loans or advances in the nature of loans to any firms/ companies, in which Directors are interested.

3.7 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
(Valued at lower of cost and net realisable value)		
Fuel*	5,053.01	2,493.59
Stores and spares	2,269.48	2,286.99
	7,322.49	**4,780.58**

* includes materials-in-transit amounting to ₹3,244.39 million, (March 31, 2021: ₹ 1,065.38 million).

3.8 Current investments

Particulars	Number of Units		As at	
	March 31 2022	March 31 2021	March 31 2022	March 31 2021
Investment in mutual funds (debt securities)				
Quoted, valued at fair value through profit or loss				
IDFC Cash Fund-Direct Plan-Growth	2,06,348	2,06,348	530.51	512.98
DSP Liquidity Fund-Direct Plan-Growth	–	1,00,247	–	294.84
L&T Liquid Fund-Direct Plan-Growth	–	91,933	–	259.15
Kotak Liquid Fund-Direct Plan-Growth	–	37,868	–	157.50
TATA Liquid Fund-Direct Plan-Growth	–	1,42,269	–	462.04
UTI Liquid Cash Fund-Direct Plan-Growth	1,44,422	1,53,836	503.75	518.50
Axis Liquid Fund-Direct Plan-Growth	1,84,487	2,10,016	436.14	479.84
SBI Liquid Fund-Direct Plan-Growth*	1,48,770	1,44,528	495.86	465.61
Aditya Birla Sun Life Liquid Fund-Direct Plan-Growth	–	11,75,904	–	389.85
ICICI Prudential Liquid Fund-Direct Plan-Growth	–	11,58,239	–	352.96
Nippon India liquid fund -Direct plan-Growth	96,973	1,00,611	505.04	506
Invesco India Liquid Fund-Direct Plan-Growth	–	13,815	–	39
			2,471.30	**4,438.65**
Aggregate fair value and market value of quoted investments			2,471.30	4,438.65
Aggregate provision for impairment in value of investments			–	–

* It includes ₹70.41 million invested from sale of fly ash and in future these funds will be used for pollution control related activities.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.9 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured, considered good)		
Trade receivables		
- Billed	34,580.83	30,498.65
- Unbilled*	5,034.10	6,872.76
Total	**39,614.93**	**37,371.41**
Less: allowance for expected credit loss	(1,004.01)	(736.69)
	38,610.92	**36,634.72**
Break-up of security details		
Trade receivables considered good – unsecured^	39,614.93	37,371.41
Trade receivables which have significant increase in credit risk	–	–
Trade receivables - credit impaired	–	–
Total	**39,614.93**	**37,371.41**
Less: allowance for expected credit loss	(1,004.01)	(736.69)
	38,610.92	**36,634.72**

Trade receivables aging schedule

Particulars	As at 31 March 2022	As at 31 March 2021
Outstanding for following periods from due date of receipt		
(i) Undisputed Trade receivables – considered good		
Unbilled receivables	5,034.10	6,834.46
Less than 6 months	20,544.71	20,935.31
6 months -1 year	7,227.33	7,289.93
1-2 years	6,121.41	660.64
2-3 years	5.66	511.16
More than 3 years	681.72	270.15
Total	**39,614.93**	**36,501.65**
(ii) Disputed Trade receivables – considered good		
Unbilled receivables	–	38.30
Less than 6 months	–	265.94
6 months -1 year	–	225.28
1-2 years	–	257.39
2-3 years	–	23.79
More than 3 years	–	59.06
Total	**–**	**869.76**

* The receivable is 'unbilled' because the group has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

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

The Group's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 3.30.

^ Includes receivables against which the Group holds revolving letter of credit from two customers

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Group considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.9 Trade receivables (Contd..)

The relevant carrying amounts are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Total transferred trade receivables	2,990.48	–
Associated secured borrowing (refer note 3.17)	2,990.48	–

3.10 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents:		
Balance with banks:		
On current accounts	444.20	507.65
Deposits with original maturity of less than three months	4,314.81	2,684.03
	4,759.01	**3,191.68**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date	2,039.50	3,637.21
	2,039.50	**3,637.21**

3.11 Equity Share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
Equity shares		
15,000,000,000 (March 31 2021: 15,000,000,000) number of equity shares of ₹10 each	1,50,000.00	1,50,000.00
	1,50,000.00	**1,50,000.00**
Issued, Subscribed and fully paid up		
5,433,668,574 (March 31 2021: 5,433,668,574) number of equity shares of ₹10 each, fully paid up (refer note below)	54,336.69	54,336.69
	54,336.69	**54,336.69**

Notes:

643,970,442 (March 31, 2021: 643,970,442) and 408,480,080 (March 31, 2021: 408,480,080) number of equity shares of ₹ 10 each, fully paid-up are pledged against secured term loans availed from banks by SEIL-P1 & SEIL-P2 respectively.

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

Particulars	As at March 31 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Outstanding at the beginning of the year	5,43,36,68,574	54,336.69	5,43,36,68,574	54,336.69
Shares issued during the year	–	–	–	–
Outstanding at the end of the year	**5,43,36,68,574**	**54,336.69**	**5,43,36,68,574**	**54,336.69**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

(ii) Shares held by the holding company

Particulars	As at March 31 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,43,36,68,574	54,336.69	5,43,36,68,574	54,336.69
	5,43,36,68,574	**54,336.69**	**5,43,36,68,574**	**54,336.69**

(iii) Details of shareholders holding more than 5% shares in the company

Name of shareholders	As at March 31 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,43,36,68,574	100.00%	5,43,36,68,574	100.00%

(iv) Details of shareholding of Promoters

Name of shareholders	As at March 31 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,43,36,68,574	100.00%	5,43,36,68,574	100.00%

There is no change in the share holding held by the promoters during the current year.

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

Terms and rights attached to equity shares:

Equity shares of the Company have par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date:

During the year ended March 31, 2018, the Company has issued 2,568,750,000 number of equity shares of ₹ 10 each fully paid at a premium of ₹ 8.80 per share to Sembcorp Utilities Pte Ltd as a consideration of acquisition of Sembcorp Gayatri Power Limited and Sembcorp Green Infra Limited in the said year.

3.12. Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
Securities premium		
Balance at the beginning of the year	40,207.03	40,207.03
Add: Additions during the year	–	–
Less: Disposal of discontinued operation	–	–
Balance at the end of the year	**40,207.03**	**40,207.03**
Capital reserve on acquisition		
Balance at the beginning of the year	(14,550.18)	(14,550.18)
Add: Additions during the year	–	–
Less: Disposal of discontinued operation	–	–
Balance at the end of the year	**(14,550.18)**	**(14,550.18)**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.12. Other equity (Contd..)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital reserve		
Balance at the beginning of the year	1,121.58	1,121.58
Add: Additions during the year	–	–
Less: Disposal of discontinued operation	–	–
Balance at the end of the year	**1,121.58**	**1,121.58**
Capital redemption reserve		
Balance at the beginning of the year	2.18	1.86
Add: Transfers from retained earnings	–	0.32
Less: Disposal of discontinued operation	(1.17)	–
Balance at the end of the year	**1.01**	**2.18**
Debenture redemption reserve		
Balance at the beginning of the year	–	–
Adjustment due to disposal of discontinued operation	125.00	–
Balance at the end of the year	**125.00**	**–**
General reserve		
Balance at the beginning of the year	199.00	199.00
Less: Disposal of discontinued operation	(125.00)	–
Balance at the end of the year	**74.00**	**199.00**
Share-based payments reserve		
Balance at the beginning of the year	–	–
Add: Share-based payments charged to profit or loss	166.98	–
Add: Adjustment for recharge of share-based payments	2.38	–
Less: Disposal of discontinued operation	(26.30)	–
Balance at the end of the year	**143.06**	**–**
Other reserves		
Balance at the beginning of the year	1,399.45	1,167.19
Add: Adjustments due to change in stake of step-down subsidiaries	0.60	(2.46)
Add: Fair value of interest free INR denominated notes from holding company	(297.70)	234.72
Less: Disposal of discontinued operation	(6.62)	–
Balance at the end of the year	**1,095.73**	**1,399.45**
Retained earnings		
Balance at the beginning of the year	1,132.44	(7,359.15)
Less: Transfers to capital redemption reserve	–	(0.32)
Less: Transition adjustment of Ind AS 116 "Leases"	–	–
Add: Profit for the year	27,241.98	8,491.91
Less: Disposal of discontinued operation	(8.09)	–
Balance at the end of the year	**28,366.33**	**1,132.44**
Other items of other comprehensive income		
Remeasurement of post-employment benefit obligations		
Balance at the beginning of the year	(41.46)	(38.18)
Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	(40.68)	(3.28)
Less: Disposal of discontinued operation	8.08	–
Balance at the end of the year	**(74.06)**	**(41.46)**
Effective portion of cash flow hedges		
Balance at the beginning of the year	(41.64)	(598.78)
Add: Change in fair value, net of tax	128.31	557.14
Balance at the end of the year	**86.67**	**(41.64)**
Hedge Reserve - cost of Hedging		
Balance at the beginning of the year	–	–
Add: Change in fair value, net of tax	58.04	–
Balance at the end of the year	**58.04**	**–**
Total other equity	**56,654.21**	**29,428.40**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.12. Other equity (Contd..)

Nature and purpose of other equity

Securities premium

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

Capital reserve on acquisition

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

Capital reserve

Capital reserve is the excess of fair value of net identified assets acquired over the purchase consideration of the business acquired by the Group from other than business combination of entities under common control.

Capital redemption reserve

Capital redemption reserve represents amounts set aside out of retained earnings on redemption of preference shares by one of the subsidiary Green Infra Wind Farm Limited. These represent the pre-acquisition reserves and are continued to be retained after loss of control of subsidiary (refer note-3.37).

Debenture redemption reserve

In earlier year, one of the subsidiary, GIWFAL allotted 500, 12% non-convertible debentures of face value of ₹ 1.00 million each. GIWFAL had transferred ₹ 125.00 million to 'Debenture redemption reserve' (DRR) out of profits available for distribution of dividends, as required under section 71 of the Companies Act, 2013. These represent the pre-acquisition reserves and are continued to be retained after loss of control of subsidiary (refer note-3.37).

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to retained earnings.

Share based payments reserve

Shae based payments reserve represents expense recognised over the vesting period of the awards during which the employees provide the relevant services, based on grant-date fair value of equity-settled share-based payment arrangements.

Other reserves

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

Retained earnings

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

Other items of other comprehensive income

Remeasurement of post-employment benefit obligations

Remeasurement of post-employment benefit obligations represents remeasurement gain/(loss) relating of post-employment benefit obligations.

Effective portion of cash flow hedges

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

Hedge reserve-Cost of Hedging

This mainly represents the net change in fair value of forward element of the hedging instrument.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
From banks		
External commercial borrowings	–	954.14
Rupee term loans	54,551.40	69,379.54
Foreign currency non repatriable (FCNR) term loan*	15,390.39	27,534.84
From financial institutions		
External commercial borrowings	–	2,205.59
Term loans	–	16,967.22
From others		
10,000 (March 31 2021: 10,000) 9.65% Non-convertible debentures of face value of ₹ 1.00 million each	–	9,100.00
Unsecured		
From related party (refer note 3.36)		
INR denominated notes	–	42,400.00
	69,941.79	**1,68,541.33**
Less: Unamortised part of loan origination cost	(268.81)	(671.52)
	69,672.98	**1,67,869.81**

* As on March 31, 2021, the Group had converted Rupee term loan of ₹ 26,589.25 million of SEIL-P1 for a period of 365 days and Rupee term loan of ₹ 1,850.00 million of SEIL-P2 into FCNR Loans for a period 364 days. As on March 31, 2022, the Group had converted Rupee term loan of ₹ 16,513.18 million of SEIL-P1 for a period of 90 to 363 days.

During the year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

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

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
External commercial borrowings (ECB) of Nil (March 31 2021: ₹ 15,399.29 million) from banks for SEIL – P1	ECB loans carry interest at 3-month LIBOR plus 1.15% p.a. (March 31 2021: 3-month LIBOR plus 1.15% p.a.) These ECB loans are payable in 20 quarterly structured unequal instalments starting from 30 June 2017. The Group has entered into cross currency interest rate swaps and the applicable interest rate under the hedge agreement is 8.36% p.a. (March 31 2021: 8.36% p.a.) External commercial borrowings loans have been repaid in full during the year.	ECB loans are guaranteed by Sembcorp Utilities Pte Ltd, the holding company.
Rupee term loans of ₹ 32,374.15 million (March 31 2021: 13,818.01 million) from banks for SEIL – P1	The Rupee Term Loans in respect of facility - I and II carry an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year was 8.20% to 8.25%(March 31, 2021: 8.20% to 9.25% p.a.). Rupee Term Loan facility -I from banks are repayable in 79 quarterly structured unequal instalments commenced from December 31, 2016 and Rupee Term Loan facility - II from banks are repayable in 77 quarterly structured unequal instalments commenced from June 30, 2017.	First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of lease land situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL P1. 643,970,442 (March 31 2021: 643,970,442) equity shares of ₹10 each of the Company, fully paid up are pledged by the holding company.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
Rupee term loans of ₹ 26,099.64 million (March 31 2021: 25,718.04 million) from banks for SEIL - P2	Rupee term loans carry an interest of SBI one year MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.20% to 9.15% p.a.(March 31, 2021: 8.25% to 9.70% p.a.). Rupee term loans facilities are repayable in 78 quarterly structured unequal instalments commenced from September 30, 2017	First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL - P2. Further, the holding company has pledged 408,480,080 (March 31 2021: 408,480,080) equity shares of ₹ 10 each of the Company for borrowings availed by SEIL – P2 and also have given corporate guarantees to cover the outstanding balance.
Nil (March 31 2021: 42,400.00 million) INR denominated notes for SEIL - P2.	INR denominated notes are repayable in structured unequal tranche and interest are payable on quarterly basis.	These notes are unsecured and are fully subscribed by holding company i.e. Sembcorp Utilities Pte Ltd.
INR denominated notes are unsecured and are fully subscribed by the holding company. During the previous year, the holding company has deferred the repayment of tranche 1 principal amounting to ₹ 7,893.90 Mn and interest accrued as at March 31 2021 to 30 September 2022 at the request of the Company. Finance component on account of interest free deferment is recognised at fair value in other equity. In the current year, the entire principal and interest accrued on INR denominated notes have been prepaid to Sembcorp Utilities Pte. Ltd. The difference between the carrying value of the liability and the repayment is adjusted in other equity component originally created on INR denominated notes.		
Foreign currency non repatriable (FCNR) term loan of ₹ 16,595.76 million (March 31 2021: 27,534.84 million) for SEIL - P1 and P2	FCNR term loans tenure is 7 to 365 days from the date of conversion and these loans are repayable in one lump sum on the date of maturity. As per the terms of FCNR term loan agreements, the Group can rollover the facility (or) can convert it into Rupee term loans. The business model of the Group is either to rollover or conversion into Rupee term loans. The Group has classified the borrowings in the financial statements as per the original Rupee term loan agreement and repayments during the year have been honored as per original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost (All in cost is in range of 7.42% to 7.93% p.a.) (March 31, 2021: 7.73% to 7.81% p.a.). The Group has obtained hedge contract on principle and interest payable.	The FCNR is secured as per the rupee term loan with respective lenders as mentioned above.
(i) Term loans of Nil (March 31, 2021: ₹ 24,674.08 million) from banks in GIWEL	Interest rates on loans are in the range of 6.50% - 8.05% p.a. (March 31, 2021: 7.75% - 9.65% p.a.) which includes borrowings repayable in 32 unequal quarterly installments starting from June 30, 2020, 32 unequal quarterly installments starting from December 31, 2020, 76 unequal quarterly installments starting from January 31, 2021, 23 unequal quarterly installments starting from January 31, 2021 and 18 unequal quarterly	Secured by pari passu first charge on all immovable properties and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures of the respective projects, and other assets of project, intangibles relating to the project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits, project documents, clearances, letter of credit, guarantees, performance bond, trust and retention

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
	installments starting from April 30, 2022 (March 31, 2021: repayable in 12 unequal quarterly installments starting from June 30, 2020, 76 unequal quarterly installments starting from January 31, 2021 and 19 unequal quarterly installments starting from December 31, 2020). During the year ended March 31, 2022, and March 31, 2021, few existing borrowings having interest rate in the range of 8.65% p.a. (March 31, 2021: 8.65% - 9.65% p.a.) has been fully refinanced by another long-term borrowings. Under such refinancing, the new lenders have disbursed and repaid loan amounting to ₹ 6,135.58 million to the erstwhile lenders directly.	account, debt service reserve account and any other reserves and bank accounts of the SECI II and SECI III projects under GIWEL in favour of the Security Trustee
Nil numbers (March 31, 2021: 10,000 numbers) of 9.15% non-convertible debentures (NCDs) of ₹ 1.00 million each of value Nil (March 31, 2021: ₹ 9,700.00 million) in GIWEL.	NCDs are repayable in 12 quarterly unequal installments starting from October 31, 2020 and carry an interest rate in range of 9.15% - 9.65% p.a. (March 31, 2021: 9.65% p.a.).	Secured by providing charge/assignment on all assets including land and movable assets, cash flows, project documents for the 248.90 MW wind projects installed in various States in GIWEL as security.
(i) Term loans of Nil (March 31, 2021: ₹ 7,435.80 million) from banks in GIREL (ii) Term loans of Nil (March 31, 2021: ₹ 5,236.90 million) from financial institutions in GIREL	Interest rate on loans availed during the current year is in the range of 6.79% - 7.05% p.a. and are repayable in 21 structured unequal quarterly installments starting from December 31, 2021. During the year ended March 31, 2022, and March 31, 2021, GIREL has refinanced part of its existing borrowings having interest rate in the range of 8.35% - 8.90% p.a. (March 31, 2021: 8.35% - 9.85% p.a.) by another long-term borrowings. The said loan was repayable in 71 structured unequal quarterly installments starting from December 31, 2019.	Term loan availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Erstwhile loans were secured by charge on all immovable properties, the entire movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles and intangible assets along with first charge on the goodwill, uncalled capital, cash flows, receivables, book debts, revenues, first charge on all bank accounts, debt service reserve account, trust and retention account; by way of assignment of security interests on project documents and contracts.
Term loans of Nil (March 31, 2021: ₹ 1,364.43 million) from banks in GICSL Term loans of Nil (March 31, 2021: ₹ 3,274.27 million) from financial institutions in GICSL	Interest rate on loans availed during the current year is 7.40% - 7.45% p.a. and are repayable in 20 quarterly unequal installments starting from June 30, 2022 and 21 quarterly unequal installments starting from April 15, 2022. During the year ended March 31, 2022, all existing borrowings has been entirely refinanced by another long-term borrowings. Interest rate on these loans were in the range of 8.95% - 10.81% p.a. (March 31, 2021: 10.80% - 10.81% p.a.) and were repayable in 57 quarterly unequal installments starting from 15 January 2016 and June 30, 2016. Under such refinancing, the new lenders have disbursed loan amounting to ₹ 4,221.00 million to the erstwhile lenders directly.	Term loans availed during the current year are secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Erstwhile loans were secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of borrower in favour of the Security Trustee of the

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
		respective projects under GICSL. The loan was also secured by pledge of 61,233,150 equity shares and 105,526,100 preference shares of GICSL held by its promoter.
External commercial borrowings of Nil (March 31, 2021: ₹ 2,137.97 million) from foreign financial institution in GICSL	Interest rates are in the range of 9.78% - 10.97% p.a. (March 31, 2021: 10.28% - 10.97% p.a.) and are repayable in 57 quarterly unequal installments starting from January 15, 2016 (March 31, 2021: repayable in 57 quarterly unequal installments starting from January 15, 2016).	Secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of projects in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of borrower in favour of the Security Trustee of the respective projects under GICSL. The loan is also secured by pledge of 61,233,150 equity shares and 105,526,100 preference shares of GICSL held by its promoter.
Term loans of Nil (March 31, 2021: ₹ 4,039.76 million) from financial institutions in GIWPGL Term loan of Nil (March 31, 2021: ₹ 229.36 million) from a bank in GIWPGL	Interest rates are in the range of 7.45% - 10.20% p.a. (March 31, 2021: 9.25% - 10.50% p.a.) and are repayable in 20 quarterly structured unequal instalments starting from June 30, 2022 and in 60 quarterly structured unequal instalments starting from June 30, 2016 (March 31, 2021: repayable in 60 quarterly structured unequal instalments starting from June 30, 2016 and 56 quarterly structured unequal instalments starting from March 31, 2018) During the year ended March 31, 2022, one of the existing loan having interest rate of 9.25% p.a. has been fully refinanced by another long-term borrowings. Under such refinancing, the new lenders have disbursed loan for amounting ₹ 1,330.00 million to the erstwhile lenders directly. Further, GIWPGL has refinanced remaining borrowings by another long-term borrowings in the month of April 2022. During the year ended March 31, 2021, GIWPGL had prepaid its partial long-term borrowings.	Term loan amounting to ₹ 1,330.00 million availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Remaining loans are secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of the respective project.
Term loan of Nil (March 31, 2021: ₹ 705.50 million) from financial institution in GIWFL	Interest on the loan is 10.00% p.a. (March 31, 2021: 10.00% p.a.) and is repayable in 44 structured unequal quarterly installments starting from June 30, 2019. During the year ended March 31, 2021, the GIWFL has made partial prepayment of its long-term borrowings.	Secured by first charge on all movable assets and intangible assets pertaining to project including plant and machinery, spares, tools, accessories, furniture, fixtures, goodwill, rights, undertakings and other assets, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts

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3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
Term loan of Nil (March 31, 2021: ₹ 478.50 million) from financial institution in GIWPL	Interest on loan is 9.70% p.a. (March 31, 2021: 9.70% p.a.) and is repayable in 54 structured unequal quarterly installments starting from March 15, 2016. GIWPL has prepaid and refinanced its existing borrowings by another long-term borrowings in the month of April 2022. During the year ended March 31, 2021, GIWPL has made partial prepayment of its long-term borrowings.	Secured by way of first charge on freehold immovable property and movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, cash flows, reserves, receivables, intangibles, goodwill, assignment or creation of security on all rights, title, interest, benefits claim and demands, letter of credit, insurance contract/ insurance proceeds, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the projects documents, trust and retention account, debt service reserve account and 51.00% (March 31, 2021: 51.00%) equity shares of ₹ 10 each of the GIWPL held by promoter (i.e. GIWVL) have been pledged in favour of the financial institution
Term loan of Nil (March 31, 2021: ₹ 485.66 million) from financial institution in GICWL	Interest on loan is 9.70% p.a. (March 31, 2021: 9.70% p.a.) and is repayable in 54 structured unequal quarterly installments starting from March 15, 2016. GICWL has prepaid and refinanced its existing borrowings by another long-term borrowings in the month of April 2022. During the year ended March 31, 2021, GICWL has made partial prepayment of its long-term borrowings.	Secured by way of first charge on freehold immovable property and movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, cash flows, reserves, receivables intangibles, goodwill, assignment or creation of security on all rights, title, interest, benefits claim and demands in any letter of credit, insurance contract, insurance proceeds, performance bond, corporate guarantee, bank guarantee provided by any party to the project documents, trust and retention account, debt service reserve account and 51.00% (March 31, 2021: 51.00%) Equity shares of the GICWL held by promoter (i.e. GIWVL) have been pledged in favour of the financial institution.
Term loan of Nil (March 31, 2021: ₹ 347.00 million) from financial institution in GISEL	Interest rate is 9.60% p.a. (March 31, 2021: 9.60% p.a) and is repayable in 49 structured unequal quarterly installments starting from September 30, 2019.	Secured by first charge on all movable assets and intangible assets pertaining to project including plant and machinery, spares, tools, accessories, furniture, fixtures, goodwill, rights, undertakings and other assets of project, cash flows, receivables, book debts, reserves, assignment of security interest of all rights, title, interest, benefits of project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and bank accounts.
Term loan of Nil (March 31, 2021: ₹ 679.29 million) from financial institution in GIWGL	Interest on loan is in the range of 9.25% - 10.08%. (March 31, 2021: 10.08% p.a.) and is repayable in 59 structured unequal quarterly installments starting from September 31, 2017. During the year ended March 31, 2021, GIWGL has made prepayment of its partial long-term borrowings.	Secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, reserves, revenues, intangible assets, assignment of security interest on all rights, title, interest, benefits, claims and demands in the project documents, clearances, letter of credit, guarantee, performance bond and bank guarantee trust and retention account, debt service reserve account and any other reserves and bank accounts.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
Term loan of Nil (March 31, 2021: ₹ 521.14 million) from financial institution in GIWPPL	Interest on loan is 9.25% (March 31, 2021: 10.04% p.a.) and is repayable in 48 structured unequal quarterly installments starting from June 30, 2017. During the year ended March 31, 2021, GIWPPL has made prepayment of its partial long-term borrowings.	Secured by pari-passu first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, reserves, revenues, intangible assets, assignment of security interest on all rights, title, interest, benefits, claims and demands in the project documents, clearances, letter of credit, guarantee, performance bond and bank guarantee, trust and retention account, debt service reserve account, bank account in favour of the Security Trustee.
Term loans of Nil (March 31, 2021: ₹ 1,347.63 million) from financial institutions in GIWFAL	Term loan availed during the current year is having interest rate of 7.45% and is repayable in 21 structured quarterly unequal installments starting from April 1, 2022. Interest rate on loan was in the range of 9.30% - 10.35% p.a. (March 31, 2021: 10.00% - 11.45% p.a.) and was repayable in 64 structured quarterly unequal installments starting from April 1, 2015. During the current year, these loan has been partially prepaid and balance has been fully refinanced by another long-term borrowing. Under such refinancing, the new lender has disbursed the loan for ₹ 1,105.00 million to the erstwhile lenders directly. During the year ended March 31, 2021, Non-convertible debentures having 12.00% p.a. interest rate had been prepaid entirely.	Term loan availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Erstwhile loans were secured by way of pari passu mortgage on immovable property, hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, intangibles, goodwill, receivables, in any letter of credit, insurance proceeds, performance bond, corporate guarantee, bank guarantee provided by any party to the projects documents, trust and retention account, debt service reserve account and any other bank account and pledge of Nil equity shares (March 31, 2021: 51.00%) of the of GIWFAL held by promoter (i.e. GIWVL) in favour of the Security Trustee
Term loan of Nil (March 31, 2021: ₹ 469.00 million) from financial institution in GIWEPL	Interest rates are in the range of 9.25% - 10.04% p.a. (March 31, 2021: 10.04% p.a.) and is repayable in 44 structured unequal quarterly installments starting from June 30, 2017.	Secured by first charge by way of hypothecation on entire movable assets, cash flows, receivables, book debts and revenues, any other reserves intangible assets, assignment or creation of security interest of all rights, title, interest benefits, claims and demands in the project documents, clearances, letter of credit, performance bond, corporate guarantee, bank guarantee provided by any party to the project documents; trust and retention account, debt service reserve account and bank account.
Term loan of ₹ Nil (March 31, 2021: ₹ 829.52 million) from financial institution in MREL	Term loan availed during the current year is having interest rate of 7.45% and is repayable in 21 structured quarterly unequal installments starting from March 31, 2022. During the year ended March 31, 2022, and March 31, 2021, MREL has refinanced its existing borrowings having interest rate in the range of 8.90% - 9.00% p.a. (March 31, 2021: 9.00% - 9.80%) by another long-term borrowings. The said loan was repayable in 59 structured unequal quarterly installments starting from December 31, 2017. Under such refinancing, the new lenders have disbursed loan for amounting ₹ 1,260.00 million to the erstwhile lenders directly.	Term loan availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Erstwhile loans were secured by charge on all immovable properties, the entire movable assets and intangible assets including plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles along with charge on the goodwill, uncalled capital, cash flows, receivables, book debts, revenues, first charge on all bank accounts, debt service reserve, trust and retention account; an assignment by way of security on project documents and contracts.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
Term loans of Nil (March 31, 2021: ₹ 2,123.87 million) from banks in GIWSL	Term loan availed during the current year is having interest rate of 7.45% and is repayable in 21 structured quarterly unequal installments starting from March 31, 2022. During the year ended March 31, 2022, and March 31, 2021, GIWSL has refinanced its existing borrowings having interest rate in the range of 8.65% - 8.75% p.a. (March 31, 2021: 8.30% - 9.80% p.a.) by another long-term borrowings. The said loan was repayable in 63 structured unequal quarterly installments starting from June 30, 2018.	Term loan availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Erstwhile loans were secured by charge on all immovable properties, the entire movable assets and intangible assets including plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles along with first charge on the goodwill, uncalled capital, cash flows, receivables, book debts, revenues, first charge on all bank accounts, debt service reserve account, trust and retention account; an assignment by way of security on project documents and contracts and pledge of Nil equity shares (March 31, 2021: 26.00%) of the GIWSL held by promoter have been pledged in favour of the Lender.
(i) External commercial borrowing of USD Nil equivalent to ₹ Nil (March 31, 2021: USD 7.74 million equivalent to ₹ 568.69 million) from bank and financial institution in GISFL (ii) External commercial borrowings of Nil (March 31, 2021: ₹ 241.06 million) from foreign financial institution in GISFL	(i) External commercial borrowing carries interest rate of 3M LIBOR + 2.5% p.a. (March 31, 2021: 3M LIBOR + 2.5% p.a.) and is repayable in 45 structured unequal quarterly installments starting from October 15, 2013. The said borrowing is completely hedged against interest and foreign currency risk on interest and principal repayment as per repayment schedule. (ii) External commercial borrowing from foreign financial institution is rupee dominated and carries an interest rate in the range of 10.57% - 11.48% p.a. (March 31, 2021: 10.57% - 11.48% p.a.) and is repayable in 26 structured unequal half-yearly installments starting from October 15, 2013.	Secured by first charge on immovable properties, all movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, revenues, by way of assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and other reserves and bank accounts of GISFL and GISPL (co-borrower), along with 51.00% (March 31, 2021: 51.00%) of equity shares of GISFL and GISPL have been pledged in favour of the Security Trustee under the common loan agreement between the lenders with GISFL and GISPL.
(i) External commercial borrowing of USD Nil equivalent to ₹ Nil (March 31, 2021: USD 2.02 million equivalents to ₹ 148.74 million) from bank and financial institution in GISPL (ii) External commercial borrowings of Nil (March 31, 2021: ₹ 62.54 million) from foreign financial institution in GISPL	(i) External commercial borrowing carries an interest rate of 3M LIBOR + 2.5% p.a. (March 31, 2021: 3M LIBOR + 2.5% p.a.) and is repayable in 45 structured unequal quarterly installments starting from October 15, 2013. The said borrowings are completely hedged against interest and foreign currency fluctuation by cross currency and interest rate swaps. (ii) External commercial borrowing from foreign financial institution is rupee dominated and carries an interest rate in the range of 10.57% - 11.48% p.a. (March 31, 2021: 10.57% - 11.48% p.a.) and is repayable in 26 structured unequal half-yearly installments starting from October 15, 2013.	Secured by first charge on immovable properties all movable including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, revenues, by way of assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and other reserves and bank accounts of GISPL and GISFL (co-borrower), along with 51.00% (March 31, 2021: 51.00%) of equity shares of the GISPL and GISFL have been pledged in favour of the Security Trustee under the common loan agreement between the lenders with GISFL and GISPL.
External commercial borrowings of Nil (March 31, 2021: JPY 45.46 million equivalent to ₹ 30.16 million) from bank in GIBTVL	External commercial borrowing from bank was carried an interest rate of JPY LIBOR + 1.81% p.a. and was repaid entirely in current year as per its repayment schedule. The said borrowing was completely hedged against interest and foreign currency risk on interest and principal repayment as per repayment schedule.	The said loan was secured by first pari passu charge on assets including land, plant and machinery and movable assets including books debts, operating cash flow, receivable in pertaining to the 23.75 MW wind farms projects at Vagaikulam and Theni, Tamil Nadu in GIBTVL.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
External commercial borrowings of USD Nil equivalents to ₹ Nil (March 31, 2021: USD 9.60 million equivalent to ₹ 705.65 million) from banks in GIBTVL	External commercial borrowings carries an interest rate of 6M LIBOR + 2.74% p.a. (March 31, 2021: 6M LIBOR + 2.74% p.a.) and are repayable in 6 installments. First installment of USD 0.60 million was paid on September 23, 2013 and remaining balance are repayable in 5 structured unequal half-yearly installments starting from March 22, 2021. The said borrowing is completely hedged against interest and foreign currency risk on interest and principal repayment as per repayment schedule.	Secured by first pari passu charge on all immovable and movable assets pertaining to the 25.50 MW wind farms projects at Satara, Maharashtra in GIBTVL

*Amounts outstanding for loans in SGIL and its subsidiaries as at March 31, 2022 is Nil due to discontinued operation (refer note 3.37)

3.14 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Interest accrued on INR denominated notes (refer terms of note 3.13 and note 3.36)	-	5,956.52
Derivative liabilities on fair valuation of financial instruments		
Derivatives not designated as cash flow hedge		
- Fair value of interest rate swaps	-	5.58
	-	**5,962.10**
Current		
Amount payable for purchase of PPE [refer note 3.38 (IV)]	453.76	1,767.61
Amount payable for purchase of PPE (dues of micro and small enterprises)	5.20	-
Interest accrued on borrowings	3.95	444.72
Retention money payable [refer note 3.38 (IV)]	6,887.61	6,796.47
Accrued employee liabilities	609.23	183.05
Other payables	-	216.16
Derivative liabilities on fair valuation of financial instruments		
Derivatives designated as cash flow hedge		
- Fair value of forward contracts	-	5.55
Derivatives not designated as cash flow hedge		
- Fair value of interest rate swaps	-	0.33
- Fair value of forward contracts	250.50	333.88
	8,210.25	**9,747.77**

The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 3.30.

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3.15 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Provision for employee benefits		
– Gratuity (refer note 3.35)	29.13	45.93
– Compensated absences	79.04	86.20
Other provisions		
Provision for asset retirement obligation (refer subnote below)	–	316.84
	108.17	**448.97**
Current		
Provision for employee benefits		
– Gratuity (refer note 3.35)	–	0.09
– Compensated absences	9.90	10.11
Other provisions		
Provision for captive consumption tax	–	2.27
	9.90	**12.47**

Particulars	As at 31 March 2022	As at 31 March 2021
Subnote:		
Movement in provision for asset retirement obligation is as follows:		
At the beginning of the year	316.84	284.04
Movement in provision during the year (including unwinding of interest)	(316.84)	32.80
At the end of the year	**–**	**316.84**

3.16 Other liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Operation and maintenance expenses equalisation reserve	-	495.39
	-	**495.39**
Current		
Operation and maintenance expenses equalisation reserve	-	49.98
Contract liabilities	24.71	313.83
Dues to statutory authorities	220.50	332.73
Other payables [refer note 3.38 (IV)]	5,558.51	3,924.30
	5,803.72	**4,620.84**

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.17 Short-term borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
Current maturities of long-term borrowings	5,093.98	23,920.71
Working capital demand loans	4,749.72	6,920.00
Bills discounted (refer note no. 3.9)	2,990.48	–
Buyers credits	–	2,138.50
Cash credit accounts	–	0.63
Unsecured		
Working capital demand loans	–	250.00
Commercial papers	2,481.84	–
	15,316.02	**33,229.84**

The Group has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed are in agreement with the books of accounts.

During the year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

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

Short-term borrowings in the Group*	Interest rate and repayment terms of the short-term borrowings	Security terms of the short-term borrowings
Working capital demand loans from banks including buyer's credit of ₹ 4,749.72 million (March 31 2021: 7,919.13 million) for SEIL – P1 and P2	During the year working capital demand loans carries interest rate in the range of 4.00% to 7.00% p.a. (March 31, 2021: 6.50% to 8.55% p.a.) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	Short-term borrowings for SEIL-P1 Secured by mortgage pari passu first charge of registered mortgage of freehold land of 160 sq. mt. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL – P1. Borrowings to the extent of ₹ 2,000 million from Development Bank of Singapore Limited is secured by corporate bank guarantee from Sembcorp Utilities Pte, Ltd. Short-term borrowings for SEIL-P2 Secured by first ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs at Village Zaap, Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL – P2 The fund based working capital facilities from Development Bank of Singapore and Hongkong and Shanghai Banking Corporation Limited are secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd. Federal Bank working capital limits of ₹ 2,000 million is unsecured facility Working Capital limits of Standard Chartered Bank of ₹ 3,000 million is secured by Corporate Guarantee of Sembcorp utilities Pte Ltd.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Short-term borrowings in the Group*	Interest rate and repayment terms of the short-term borrowings	Security terms of the short-term borrowings
Commercial papers of ₹ 2,481.84 million (March 31 2021: Nil) for SEIL – P1	Commercial paper carries an interest rate in the range of 4.35% to 4.45% p.a. (March 31 2021: 4.11% to 6.50% p.a.).	These commercial papers are unsecured.
Nil (March 31, 2021: ₹ ₹ 250.00 million) loan from bank in SGIL	In previous year, interest rates on loan were in the range of 5.95% - 7.90% p.a and were repayable within 150 days from the date of disbursement.	The said facility is unsecured.
Working capital loan of Nil (March 31, 2021: ₹ 1,140.00 million) from banks in GIWEL	In previous year, interest rates on loan were in the range of 3.95% - 7.65% p.a and were repayable within 7-14 days from the date of disbursement.	The said facility is unsecured.

*Amounts outstanding for loans in SGIL and its subsidiaries as at March 31, 2022 is Nil due to discontinued operation (refer note 3.37)

3.18 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding dues to micro and small enterprises	13.42	8.25
Total outstanding dues to other than micro and small enterprises		
– related parties (refer note 3.36)	65.38	80.14
– others	4,789.67	2,119.33
	4,868.47	**2,207.72**

The Group's exposure to currency and liquidity risks related to trade payables are disclosed in note 3.30.

Trade payables aging schedule

Particulars	March 31, 2022	March 31, 2021
Outstanding for following periods from due date of payment		
(i) Undisputed micro and small enterprises		
Unbilled payables	–	–
Note due	13.42	2.51
Less than 1 year	–	5.74
1-2 years	–	–
2-3 years	–	–
More than 3 years	–	–
Total	**13.42**	**8.25**
(ii) Undisputed Others		
Unbilled payables	3,220.45	1,739.04
Note due	1,633.10	388.93
Less than 1 year	–	69.25
1-2 years	1.50	2.18
2-3 years	–	0.07
More than 3 years	–	–
Total	**4,855.05**	**2,199.47**

3.19 Current tax liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for taxes (net of advance tax: ₹63.14 million, (March 31, 2021: ₹ 194.22 million)	149.48	339.24
	149.48	**339.24**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.20 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of electricity (refer note 3.42)	76,766.78	73,591.41
Other operating revenues		
Other operating revenue (including sale of fly ash)	124.22	82.78
	76,891.00	**73,674.19**
a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:		
Contract price	77,193.58	73,868.41
Adjustments for:		
Rebate to customers	(60.85)	(141.98)
Deviation settlement charges	(662.27)	(137.69)
Unearned income	296.32	2.67
Sale of electricity	**76,766.78**	**73,591.41**
b. Changes in contract liabilities*		
Balance at the beginning of the year	313.47	305.46
Add: Amount received during the year	166.42	17.15
Less: Amount recognised as revenue/other adjustments during the year	(455.18)	(9.14)
Balance at the end of the year	**24.71**	**313.47**

* Contract liabilities include unearned income and advance from customer.

c. Transaction Price - Remaining Performance Obligation

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

d. Refer note 3.33 for Revenue disaggregation by geography.

3.21 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income from financial assets measured at amortised cost	264.67	363.80
Net gain on fair value changes classified at FVTPL		
– mutual funds	81.62	76.59
Late payment surcharges from customers (refer note 3.42 and 3.43)	989.50	2,846.56
Income from insurance claims (refer note 3.40)	–	790.70
Gain on derivative contracts, net at FVTPL	29.98	–
Gain on sale of property, plant and equipment, net	0.42	–
Scrap sales	54.70	29.43
Miscellaneous income	0.18	0.41
	1,421.07	**4,107.49**

3.22 Cost of fuel

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Coal and fuel cost	46,729.68	40,519.73
	46,729.68	**40,519.73**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.23 Transmission charges

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Transmission charges	3,113.82	2,378.99
	3,113.82	**2,378.99**

3.24 Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	2,166.92	1,425.66
Contribution to provident and other funds (refer note 3.35)	80.83	86.00
Employee shared based expenses (refer note 3.39)	136.20	56.35
Staff welfare expenses	92.62	84.36
	2,476.57	**1,652.37**

3.25 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on financial liabilities measured at amortised cost	10,187.00	12,676.12
Unwinding of discount on lease liabilities (refer note 3.32)	6.41	6.81
Other borrowing costs	699.31	715.10
	10,892.72	**13,398.03**

3.26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	6,659.90	7,442.25
Depreciation on right to use assets (refer note 3.32)	27.38	12.88
Amortisation on intangible assets	5.12	2.71
	6,692.40	**7,457.84**

3.27 Operating and other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Consumption of stores, spares and consumables	925.86	777.67
Repairs and maintenance		
– Buildings and civil works	50.05	48.89
– Plant and equipment	1,058.02	885.12
– Others	14.95	22.25
IT maintenance expenses	125.01	61.34
Travelling and conveyance	76.05	58.92
Insurance	475.62	563.89
Security charges	56.44	56.79
Legal and professional expenses (refer subnote below)	272.59	276.55
Health and safety expenses	38.15	37.91
Expenditure on corporate social responsibility	52.58	18.29
Rates and taxes	27.32	287.34
Rent (refer note 3.32)	3.56	3.50
Directors' sitting fee	6.37	5.37
Commission charges	12.13	15.15

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.27 Operating and other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Communication expenses	13.50	15.07
Business promotion	6.35	4.70
Loss on foreign exchange fluctuations, net	132.38	93.83
Loss on derivative contracts, net at FVTPL	–	117.07
Property, plant and equipment written off	0.26	23.99
Allowance for expected credit loss	462.62	217.89
Doubtful receivables and advances written off	–	5.06
Miscellaneous expenses	52.16	58.37
	3,861.97	**3,654.96**

Auditor's remuneration (including taxes)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
– Statutory audit fee	3.30	4.13
– For other services	6.02	8.48
– For reimbursement of expenses	0.19	0.56
	9.51	**13.17**

Notes:

The above auditor's remuneration includes audit fees paid to auditors of subsidiaries in the Group.

3.28 Tax expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax expense	62.81	49.95
Current tax expense (changes in estimates related to prior years)	(252.15)	0.76
Deferred tax credit	1,501.77	(112.56)
	1,312.43	**(61.85)**
Tax effect on other comprehensive income	(59.37)	(0.31)
	1,253.06	**(62.16)**
Tax expense is attributable to:		
Profit from continuing operations	615.21	–
Profit/(loss) from discontinued operation	637.85	(61.54)
	1,253.06	**(61.54)**
Reconciliation of effective tax rate		
Profit before tax from continuing operations	4,544.91	8,719.76
Profit/(loss) before tax from discontinued operation	24,114.39	(345.04)
	28,659.30	**8,374.72**
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expenses (a)	7,212.97	2,107.75
Effect of		
MAT credit not recognised	14.25	12.37
Tax on changes in estimates related to prior years	–	5.72
Adjustments due to income taxable at different tax rates	(0.10)	(0.26)
Non-deductible expenses (i.e. CSR expense, fair valuation)	110.89	156.16
Changes in permanent difference of deferred tax assets/liabilities	22.92	30.06
Non-taxable income (income under section 80IA)	(73.25)	(59.85)
Gain on disposal of discontinued operation	(5,380.84)	–
Income taxes related to prior years	(252.15)	–
Deferred tax asset not recognised on tax losses in earlier years	(266.44)	(2,313.80)
Others	(75.82)	–
Income tax expense (b)	**1,312.43**	**(61.85)**
Tax effect on other comprehensive income	(59.37)	(0.31)
	1,253.06	**(62.16)**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.29 Earnings per Equity share

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity shareholders of the Company	(A)	27,241.98	8,491.91
Profit attributable to equity shareholders of the Company -Continuing operations	(B)	3,869.36	8,719.76
Profit/(Loss) attributable to equity shareholders of the Company -Discontinued operation (C=A-B)		23,372.62	(227.85)
Number of equity shares			
Number of shares at the beginning of the year		5,43,36,68,574	5,43,36,68,574
Add: Weighted average number of shares issued during the year		–	–
Weighted average number of shares outstanding during the year (D)		**5,43,36,68,574**	**5,43,36,68,574**
Earnings per equity share - Continuing and discontinued operation (face value of share ₹10 each)			
- Basic and diluted earnings per equity share (₹)	(A/D)	5.01	1.56
Earnings per equity share -Continuing operations (face value of share ₹10 each)			
- Basic and diluted earnings per equity share (₹)	(B/D)	0.71	1.60
Earnings per equity share -Discontinued operation (face value of share ₹10 each)			
- Basic and diluted earnings/(loss) per equity share (₹)	(C/D)	4.30	(0.04)

Note: The Group did not have any potentially dilutive securities in any of the years presented.

3.30. Financial instruments - fair values and risk management

A) Accounting classifications and fair values

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

As at March 31 2022:	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Investments - mutual funds	3.8	2,471.30	–	–	2,471.30	2,471.30	–	–
Trade receivables	3.9	–	–	38,610.92	38,610.92	–	–	–
Cash and cash equivalents	3.10	–	–	4,759.01	4,759.01	–	–	–
Other bank balances	3.10	–	–	2,039.50	2,039.50	–	–	–
Other financial assets	3.3	–	–	2,846.09	2,846.09	–	–	–
		2,471.30	**–**	**48,255.52**	**50,726.82**	**2,471.30**	**–**	**–**
Financial liabilities								
Borrowings	3.13 & 3.17	–	–	84,989.00	84,989.00	–	–	–
Lease liabilities	–	–	–	61.39	61.39	–	–	–
Trade payables	3.18	–	–	4,868.47	4,868.47	–	–	–
Other financial liabilities	3.14	–	250.50	7,959.75	8,210.25	–	250.50	–
		–	**250.50**	**97,878.61**	**98,129.11**	**–**	**250.50**	**–**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

As at March 31 2021:	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets		266.42	420.44	–	703.18	266.42	–	703.18
Investments - mutual funds	3.8	4,438.65	–	–	4,438.65	4,438.65	–	–
Trade receivables	3.9	–	–	36,634.72	36,634.72	–	–	–
Cash and cash equivalents	3.10	–	–	3,191.68	3,191.68	–	–	–
Other bank balances	3.10	–	–	3,637.21	3,637.21	–	–	–
Other financial assets	3.3	354.85	1,319.38	8,203.24	9,877.47	–	1,674.23	–
		4,793.50	**1,319.38**	**51,666.85**	**57,779.73**	**4,438.65**	**1,674.23**	**–**
Financial liabilities								
Borrowings	3.13 & 3.17	–	–	2,01,099.65	2,01,099.65	–	–	–
Lease liabilities	–	–	231.35	231.35	–	–	–	
Trade payables	3.18	–	–	2,207.72	2,207.72	–	–	–
Other financial liabilities	3.14	339.79	5.55	15,364.53	15,709.87	–	345.34	–
		339.79	**5.55**	**2,18,903.25**	**2,19,248.59**	**–**	**345.34**	**–**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

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

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

Net gain on fair value changes classified as FVTPL

Particulars	March 31, 2022	March 31, 2021
Net gain on fair value changes classified as FVTPL:		
- mutual funds	81.62	76.59
Loss on fair value changes of derivative contracts	–	117.07
Net gain on fair value changes classified as FVTPL	**81.62**	**193.66**

Valuation techniques and significant unobservable inputs

Investment in mutual funds:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Forward exchange/ option contracts, swap contracts and commodity hedge contracts:

Foreign exchange forward/option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

B. Financial risk management objectives and policies

The Group's activities exposes it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Group's enterprise risk management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Group's liquidity, counterparty risk, foreign exchange and derivative transactions and financing.

The Group uses foreign exchange contracts, foreign exchange swaps, interest rate swaps, and various financial instruments to manage exposures to interest rate and foreign exchange risks arising from operating and financing activities. The Group uses commodity hedge contract to manage exposure for international coal prices. All such transactions must involve underlying assets or liabilities and no speculative transactions are allowed.

The financial authority limits seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices which affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

i) Interest rate risk

The Group's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Group's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts under long-term and short-term borrowings.

The Group entered into various cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Group's policy, the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt. The Group's borrowings majorly consists of project funding and working capital loans having variable rate of interest.

The Group has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts/options for payments of interest and principle for FCNR term loans.

The interest rate profile of the Group's long-term interest-bearing instruments as reported to management is as follows:

Particulars	March 31 2022	March 31 2021
Fixed rate instruments		
Non-current and current borrowings	10,222.04	63,424.21
Effect of interest rate swaps	–	16,816.14
	10,222.04	**80,240.35**
Variable rate instruments		
Non-current and current borrowings	74,766.96	1,38,174.84
Effect of interest rate swaps	–	(16,816.14)
	74,766.96	**1,21,358.70**
	84,989.00	**2,01,599.05**

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Group's assets are located in India. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Group is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

The Group evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency interest rate swaps to mitigate the exposure.

The quantitative data about the Group's exposure to currency risk (based on notional reports) is as follows:

Particulars	Currency	March 31 2022		March 31 2021	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Financial assets					
Trade receivables	USD	1,985.30	26.19	1,708.98	23.25
Total financial assets		**1,985.30**		**1,708.98**	
Financial liabilities					
Borrowings ECB, FCNR and Buyer's credit	USD	(16,620.31)	(219.24)	(47,389.57)	(646.80)
Borrowings ECB	JPY	–	–	(30.16)	(45.46)
Trade payables	USD	(3,930.22)	(51.70)	(998.19)	(13.58)
Trade payables	SGD	(64.65)	(1.16)	(55.23)	1.02
Other financial liabilities	SGD	–	–	(100.94)	(1.87)
Other financial liabilities	USD	(3,991.04)	(52.65)	(3,884.27)	(52.74)
Other financial liabilities	JPY	–	–	(0.10)	(0.19)
Total financial liabilities		**(24,606.22)**		**(52,458.46)**	
Net financial liabilities		**(22,620.92)**		**(50,749.48)**	
less:					
Foreign exchange forward contracts (Buyer's credit)	USD	–	–	2,138.25	29.09
Foreign exchange forward contract (FCNR term loans)	USD	16,620.31	219.24	28,428.76	388.85
Cross currency and interest rate swaps	USD	–	–	16,835.08	228.93
Forward options	JPY	–	–	30.26	45.65
Total		**16,620.31**		**47,432.35**	45.65
Net exposure in respect of recognised assets/(liabilities)		**(6,000.61)**		**(3,317.13)**	–

Sensitivity analysis

A reasonably possible strengthening (weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
March 31 2022	296.80	(296.80)	296.80	(296.80)
March 31 2021	158.05	(158.05)	158.05	(158.05)
March 31 2022	3.23	(3.23)	3.23	(3.23)
March 31 2021	7.81	(7.81)	7.81	(7.81)

(iii) Commodity price risk

The prices of imported coal purchases are linked to price fluctuations in international coal market. Significant portion of cost and inventories are exposed to the risk of price fluctuations in international coal markets. The Group uses commodity hedge contracts to hedge the price risk of forecasted transactions.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

The Group operates a risk management desk that uses hedging instruments to seek to reduce the impact of market volatility in coal prices on the Group's profitability. The Group's risk management desk uses coal commodity hedge contracts that are available in the commodity derivative markets. (The derivative instruments used for hedging purposes typically do not expose the Group to market risk because the change in their market value is usually offset by an equal and opposite change in the market value of the underlying asset, liability or transaction being hedged). The Group's open positions in commodity hedge contracts are monitored and managed on a regular basis to ensure compliance with its stated risk management policy which has been approved by the management.

Break-up of commodity hedge contracts entered into by the Group and outstanding as at balance sheet date:

Particulars	Contracts currency	Quantity of open contracts (MT)		Fair value of derivative assets/liability, net (₹)	
		March 31 2022	March 31 2021	March 31 2022	March 31 2021
Coal commodity hedge contracts	USD	–	1,56,850	–	251.86

iv) Derivative financial instruments

Cash flow hedges:

Cross currency interest rate swaps

The Group has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Group has also entered into interest rate swap contracts, under which the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Commodity hedge contracts

The Group uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Group to mitigate the risk of changing coal prices and corresponding cash outflows.

Forward contracts

The Group uses foreign exchange forward contracts to hedge the currency risk on Interest portion of foreign currency denominated loans. These contracts enable the Group to mitigate the risk of change in foreign exchange rates and corresponding cash outflows.

Fair value hedges:

Forward contracts and options

The fair value of foreign exchange contracts/options which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price. "

The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/(liability) (₹ In million)		Nominal values in Foreign currency i.e. USD /JPY		Nominal values (₹ In million)	
	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021
Derivatives designated as cash flow hedges:						
Cross currency interest rate swaps						
In USD	–	1,067.52	–	209.50	–	13,984.13
Commodity hedge contracts						
In USD	–	251.86	–	12.60	–	926.07

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

Particulars	Fair value of derivative asset/(liability) (₹ In million)		Nominal values in Foreign currency i.e. USD /JPY		Nominal values (₹ In million)	
	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021
Forward contracts and swaps						
In USD	(0.82)	(5.55)	1.33	6.54	102.07	481.04
Derivatives not designated as cash flow hedges:						
Options						
In USD	–	–	–	–	–	–
In JPY	–	5.31	–	46.37	–	30.77
Forward contracts and swaps						
In USD	(249.68)	10.08	219.23	460.21	16,976.25	33,461.29
In JPY	–	(0.33)	–	150.46	–	7,748.16

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer, employee or counterparty to a financial instrument fails to meet its contractual obligations leading to financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade and unbilled receivables) and from its financing activities, including short-term deposits with banks, and other financial assets. The carrying amounts of the financial assets as disclosed in note no. 3.9 represent the maximum credit risk exposure."

Trade receivables and unbilled receivables

The Group has exposure to credit risk from a limited customer group on account of specialized nature of business, i.e. sale of power. The Group ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.

Customer credit risk is managed by the Group subject to the Group's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Group has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and credit worthiness of its customers are continuously monitored.

The Group also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade receivables.

Impairment

The movement in allowance for expected credit loss in respect of trade receivables and unbilled revenue during the year end is as follows:

Particulars	Allowance for expected credit loss		
	Trade receivables	Unbilled revenue	Total
March 31 2022			
Balance at the beginning of the year	736.69	17.30	753.99
Movement in expected credit loss allowance	584.26	3.50	587.76
Disposal of discontinued operation	(323.92)	(13.82)	(337.74)
Balance at the end of the year	**997.03**	**6.98**	**1,004.01**
March 31 2021			
Balance at the beginning of the year	494.87	12.47	507.34
Movement in expected credit loss allowance	241.82	4.83	246.65
Balance at the end of the year	**736.69**	**17.30**	**753.99**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

Other financial assets/derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets and liabilities are limited as the Group generally invests in deposits with banks with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks, the Group does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Group is exposed to this risk from its operating activities and financing activities. The Group's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Group to meet its obligations.

The below table provides details regarding the contractual maturities of financial liabilities as of the reporting date.

As at March 31 2022

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	74,770.91	11,149.66	40,845.47	67,808.77	1,19,803.90
Borrowings - short-term (excluding current maturities)	10,222.04	10,222.04	–	–	10,222.04
Trade payables	4,868.47	4,868.47	–	–	4,868.47
Other financial liabilities (excluding interest accrued on borrowings)	8,206.30	8,206.30	–	–	8,206.30
	98,067.72	**34,446.47**	**40,845.47**	**67,808.77**	**1,43,100.71**

As at March 31 2021

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	1,98,191.76	34,933.94	1,17,250.88	1,45,368.70	2,97,553.52
Borrowings - short-term (excluding current maturities)	9,309.13	9,309.13	–	–	9,309.13
Trade payables	2,207.72	2,207.72	–	–	2,207.72
Other financial liabilities (excluding interest accrued on borrowings)	9,308.63	9,308.63	–	–	9,308.63
	2,19,017.24	**55,759.42**	**1,17,250.88**	**1,45,368.70**	**3,18,379.00**

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.31. Capital management

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

The capital structure of the Group consist of Borrowings and total equity of the Group. The Group seeks to maintain a balance between the higher returns that might be possible with highest levels of borrowings and the advantages and security afforded by a sound capital position.

The Group is not subject to any externally imposed capital requirements. However, under the terms of the major borrowings, the Group has to comply with certain financial covenants under borrowing agreements. Capital is defined as equity attributable to the equity holders (including non-controlling interest). Debt consists of non-current borrowings, current borrowings and current maturities of long-term borrowings.

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

Particulars		March 31 2022	March 31 2021
Debt	A	84,989.00	2,01,099.65
Total equity	B	1,10,990.90	83,897.39
Total debt and equity		**1,95,979.90**	**2,84,997.04**
Debt-to-equity ratio	**(A/B)**	**0.77**	**2.40**

3.32. Leases

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

Particulars	Gross carrying amount	Accumulated Depreciation	Net carrying amount
As at March 31 2022			
Leasehold land and buildings	720.26	76.54	643.72
Vehicles	11.54	3.84	7.70
Total	**731.80**	**80.38**	**651.42**
As at March 31 2021			
Leasehold land and buildings	942.27	166.85	775.42
Vehicles	11.54	0.96	10.58
Total	**953.81**	**167.81**	**786.00**

Lease liability	As at March 31 2022	As at March 31 2021
Present value of lease liability		
Current	17.49	32.30
Non- current	43.90	199.05
Maturity analysis		
0 - 1 year	27.40	51.02
1 - 5 years	51.77	180.36
More than 5 years	18.21	171.63

The amount recognised in consolidated statement of profit and loss for the right-of-use assets and lease liability are as follows:

For the year ended March 31 2022

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	38.16	2.88	41.04
Unwinding of discount on lease liabilities	16.02	0.91	16.93

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.32. Leases (contd.)

For the year ended March 31 2021

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	31.36	0.96	32.32
Unwinding of discount on lease liabilities	23.28	0.34	23.62

Further, the Group incurred ₹ 5.71 million (March 31 2021: ₹ 5.96 million) towards expenses relating to short-term leases and leases of low-value assets. Lease contracts entered by the Group majorly pertains for land taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is ₹ 40.56 million (March 31 2021: ₹ 50.14 million).

3.33. Segment reporting

The Group is engaged in the business of generation of power, which in the context of Ind AS 108 "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Group exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended March 31 2022 and March 31 2021 were as follows:

Customer name	For the year ended March 31 2022		For the year ended March 31 2021	
	Revenue	%	Revenue	%
Telangana State Government utilities	30,226.32	33.71%	29,994.00	34.26%
Indian Energy Exchange (IEX)	22,416.67	25.00%	13,977.07	15.96%
Bangladesh Power Development Board	10,174.18	11.35%	9,545.43	10.90%
Andhra Pradesh State Government utilities	7,679.73	8.57%	8,932.19	10.20%

Geographical segments

Revenue from operations	For the year March 31 2022	For the year March 31 2021
India	79,478.44	78,013.87
Bangladesh	10,174.18	9,545.43
Total	**89,652.62**	**87,559.30**

The total of non-current assets other than financial instruments and tax assets, broken down by location of the assets, is shown below:

Non-current assets	For the year March 31 2022	For the year March 31 2021
India	1,53,586.56	2,49,338.85
Bangladesh	–	–
Total	**1,53,586.56**	**2,49,338.85**

3.34. Change in Liabilities arising from financing activities

Particulars	Lease liabilities	Borrowings	Total
As at April 1, 2020	243.77	2,13,948.49	2,14,192.26
Net cash flows	(497.23)	(4,12,881.09)	(4,13,378.32)
Foreign exchange movement and borrowing cost	–	(2,167.05)	(2,167.05)
Movement in lease liabilities	15.30	–	15.30
Unwinding of discount on lease liabilities	6.81	–	6.81
As at March 31, 2021	**(231.35)**	**(2,01,099.65)**	**(2,01,331.00)**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.34. Change in Liabilities arising from financing activities(contd..)

Net cash flows	307.03	1,82,943.48	1,83,250.51
Foreign exchange movement and borrowing cost	–	(1.48)	(1.48)
Movement in lease liabilities	2.85	–	2.85
Unwinding of discount on lease liabilities	6.41	–	6.41
Disposal of discontinued operation	(146.33)	(66,831.35)	(66,977.68)
As at March 31, 2022	**(61.39)**	**(84,989.00)**	**(85,050.39)**

3.35. Assets and liabilities relating to employee benefits

i) Defined contribution plan

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contribution to provident fund charged to the consolidated statement of profit and loss is ₹ 86.53 million (March 31 2021: ₹ 86.61 million).

ii) Defined benefit plan

The Group provides gratuity for its employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 1-5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof. The gratuity plan is a funded plan and the Group makes contributions to recognized funds in India. Liability with regard to this plan is determined by an actuarial valuation as at the end of the year and the expenses are charged to the consolidated statement of profit and loss.

A. Funding

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

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

B. Reconciliation of the present value of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	152.60	115.74
Current service cost	27.78	25.69
Interest cost	9.57	7.90
Past service cost	–	5.88
Benefits paid	(6.58)	(5.74)
Actuarial loss recognised in the other comprehensive income	41.87	3.13
Disposal of discontinued operation	(58.50)	–
Balance at the end of the year	**166.74**	**152.60**

C. Reconciliation of the present value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	121.87	102.73
Contributions made by employer	16.39	26.96
Benefits paid	(5.06)	(14.32)
Interest income on plan assets	8.47	7.04
Actuarial gain on plan assets	1.85	(0.54)

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.35. Assets and liabilities relating to employee benefits (Contd..)

Disposal of discontinued operation	(5.91)	–
Balance at the end of the year	**137.61**	**121.87**
Net defined benefit obligation	29.13	30.73
Disclosure in the Balance sheet:		
Funded asset (refer note 3.6)	–	15.29
Provision for employee benefits (refer note 3.15)	(29.13)	46.02

D. Expense recognised in the consolidated statement of profit and loss

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Current service cost	27.78	25.69
Past service cost	–	5.88
Interest cost	9.57	7.90
Interest income	(8.47)	(7.04)
Total expense during the year	**28.88**	**32.43**

E. Remeasurements recognised in other comprehensive income

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Actuarial loss on defined benefit obligation	41.87	3.13
Actuarial loss on planned asset	(1.85)	0.54
Actuarial loss for the year	**40.02**	**3.67**

F. Plan assets

Plan assets comprise of the following:

Particulars	As at 31 March 2022	As at 31 March 2021
New Group Gratuity Cash Accumulation Plan with LIC	137.61	121.87

G. Summary of actuarial assumptions

Demographic assumptions

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Mortality rate (% of IALM 06-08 and 12-14)	100.00%	100.00%
Attrition rate		
18-30 years	8.00% - 10.00%	10.00%
31-40 years	4.00% - 10.00%	5.00%
41 years and above	2.00% - 10.00%	1.00%
Financial assumptions		
Discount rate	7.15% - 7.25%	6.82% - 7.05%
Future salary growth rate	8.00%	5% - 10%

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

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.35. Assets and liabilities relating to employee benefits (Contd..)

Sensitivity analysis

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

Particulars	As at 31 March 2022	As at 31 March 2021
Impact of the change in discount rate %		
0.50% increase	(9.80)	(8.88)
0.50% decrease	10.70	9.69
Impact of the change in salary growth rate %		
0.50% increase	10.58	9.65
0.50% decrease	(9.78)	(8.93)

H. Asset-liability matching strategy

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

I. Maturity profile of the defined benefit obligation

Expected cash flows over the next year (valued on undiscounted basis):

Particulars	As at 31 March 2022	As at 31 March 2021
Within 1 year	6.29	8.50
2 to 5 years	34.62	30.13
6 to 9 years	59.53	40.49
For year 10 and above	394.95	244.23

iii) Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the consolidated statement of profit and loss amounting to ₹ 35.98 million (March 31 2021: ₹ 34.26 million).

3.36. Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company
Sembcorp Utilities Pte. Ltd., Singapore	Holding company
Sembcorp Green Infra Limited, India	Entity under common control (w.e.f December 23, 2021)
Sembcorp India Private Limited, India	Entity under common control
Wong Kim Yin	Chairman (w.e.f. August 11, 2020)
Neil Garry Mcgregor	Chairman (upto June 30, 2020)
Vipul Tuli	Managing Director
Looi Lee Hwa	Director
Eugene Chee Mun Zheng Zhiwen Cheng	Director (w.e.f May 1, 2021)

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Name of the party	Nature of relationship
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director
Bobby Kanubhai Parikh	Independent Director (upto September 1, 2020)
Juvenil Jani	Chief Financial Officer
Narendra Ande	Company Secretary

b) The following are the transactions with related parties during the year

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Rent and utility expense		
Sembcorp India Private Limited	21.35	21.92
Consultancy expenses		
Sembcorp Utilities Pte Ltd.	202.82	217.82
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd.	3,140.73	4,397.88
Bank guarantee fees/commission		
Sembcorp Utilities Pte Ltd.	212.75	223.55
Purchase of other intangible assets (SAP licenses)		
Sembcorp Utilities Pte. Ltd.	–	33.12
Reimbursement of share based payment		
Sembcorp Utilities Pte Ltd.	166.98	66.57
Reimbursement of expenses		
Sembcorp Utilities Pte Ltd.	6.92	8.48
Sembcorp India Private Limited	–	0.30
Sembcorp Industries Ltd	–	0.41
Repayment of INR Denominated notes		
Sembcorp Utilities Pte Ltd	42,400.00	–
Interest paid on INR Denominated notes (Net of TDS)		
Sembcorp Utilities Pte Ltd.	9,548.63	5,498.15
Salaries to Key managerial person*		
Vipul Tuli	155.34	61.49
Juvenil Jani	36.42	21.00
Narendra Ande	6.42	5.60
Sitting fees to Directors (including taxes)		
Kalaikuruchi Jairaj	2.12	1.62
Radhey Shyam Sharma	2.12	1.65
Sangeeta Talwar	2.12	2.22
Bobby Kanubhai Parikh	–	0.47

* Key Managerial Personnel and relatives of Promoters who are under the employment of the Group are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances is as under:

Particulars	As at 31 March 2022	As at 31 March 2021
Related party payables		
Sembcorp Utilities Pte Ltd. (Trade payables)	64.65	79.18
Sembcorp Utilities Pte Ltd. (Other payables)	–	100.94
Sembcorp India Private Limited (Trade payables)	–	0.96
INR denominated Notes		

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.36. Related party disclosure (Contd..)

Sembcorp Utilities Pte Ltd	–	42,400.00
Interest accrued on INR denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	–	6,662.98
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd (Represents the amount of facility outstanding)	25,947.69	42,718.33

3.37 Discontinued operation

a) Description

Sembcorp Energy India Limited (SEIL) entered into Share Purchase Agreement on December 10, 2021 for sale of its 100% investments in Sembcorp Green Infra Limited (SGIL) to holding company Sembcorp Utilities Pte Ltd, (SUPL) for consideration of ₹ 52,321.20 million and recognised a gain amounting to ₹ 21,379.67 million on disposal. The Group received all the amount from SUPL by end of December 31, 2021 and SGIL shares were transferred to SUPL on December 22, 2021 and accordingly SGIL ceased to be a subsidiary of the company w.e.f December 23, 2021. As SGIL is representing separate major line of business, the said sale is treated as discontinued operation.

Consequent to the above the consolidated balance sheet as at March 31, 2022 is not comparable with previous year ended March 31, 2021.

b) Financial performance and cash flow information

The financial performance and cashflow information presented are for the period from April 1 to December 22, 2021 and with comparative for the full year ended March 31, 2021 is as follows:

Particulars	Note	For the year ended March 31 2022	For the year ended March 31 2021
Total Income		13,346.83	14,407.20
Total expenses		10,612.11	14,752.24
Profit/(loss) before tax		**2,734.72**	**(345.04)**
Tax expense/(credit)		636.88	(61.85)
Profit/(loss) after tax		**2,097.84**	**(283.19)**
Gain on sale of discontinued operation		21,379.67	–
Profit/(loss) from discontinued operation		**23,477.51**	**(283.19)**
Earnings per equity share - discontinued operation	3.29		
(face value of share ₹10 each)			
- Basic and diluted (₹)		4.30	(0.04)

The cash flows attributable to the discontinued operation are as follows

Particulars	Note	For the year ended March 31 2022	For the year ended March 31 2021
Net cash generated from operating activities		11,728.48	9,943.88
Net cash generated/ (used) in investing activities		46,935.14	(3,225.84)
Net cash used in financing activities		(7,634.03)	(8,193.97)
Net cash generated/ (used) in discontinued operation		**51,029.59**	**(1,475.93)**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.37 Discontinued operation (contd..)

The cash flows attributable to the discontinued operation are as follows

c) Carrying value of Net assets of discontinued operation and financial effect arising from disposal of discontinued operation is as follows:

Particulars	Amount
Property, plant and equipment	83,220.12
Other Non-current assets	3,959.65
Trade receivables	4,843.84
Cash and cash equivalents	3,767.86
Other current assets	6,121.61
Total assets (A)	**1,01,913.08**
Non-current liabilities	61,594.17
Trade payables	240.79
Other current liabilities	8,892.50
Total liabilities (B)	**70,727.46**
Net assets (C)=(A-B)	**31,185.62**
Consideration received	52,321.20
Add: Non-controlling interests	244.09
Less: Net assets	31,185.62
Gain on disposal of discontinued operation	**21,379.67**
Movement in cashflows:	
Consideration received	52,321.20
Less: Cash and cash equivalents disposed off	(3,767.86)
Net Cash inflow	**48,553.34**

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

I) Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	192.07	493.50

II) Claims against the Group not acknowledged as debt in respect of

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Income tax (refer subnote a below)	730.83	749.53
(ii) Stamp duty (refer subnote b below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax	150.62	150.62
(v) Service tax (refer subnote c below)	798.13	798.13
(vi) Demand for fly ash disposal (National Green Tribunal) #	-	85.31
(vii) Township construction contract works ##	149.92	149.92
(viii)Goods and service tax (refer note d below)	1,108.27	-
(ix) Others (refer note e,f and g below)	Amount not ascertainable	Amount not Ascertainable

#During the previous year, the Group has received a demand order from National Green Tribunal (NGT) levying environmental compensation charges towards non utilization/disposal of 100.00% fly ash. on May 1, 2022 The Honourable Supreme Court has set aside the order issued by National Green Tribunal (NGT) levying environmental compensation charges /penalty towards non utilisation /disposal of 100% fly ash on.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.38. Contingent liabilities and commitments (to the extent not provided for) (Contd..)

##The Group had earlier entered into a contract with a vendor for construction of township at Nellore for an amount of Rs. 454.06 million. The contract was completed on October 31, 2017 and the full and final settlement was agreed with the vendor on December 15, 2017. Final payment was released by the Group on November 15, 2018. During the previous year, the vendor sought additional compensation of Rs. 149.91 million (approx.) from the Group for additional work executed, damages, loss of profits, recovery of liquidated damages etc., sought appointment of an arbitrator and also filed proceedings application under Section 11 of Arbitration and Conciliation Act, 1996 against the Group before the Hon'ble High Court of Telangana. The Group is contesting the matter and has obtained legal opinion on the validity of the claims. As per the legal opinion, Group has a good arguable case in its favour and management is of the view that no provision is required in the books of accounts.

Note:

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

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

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

d) During the year, Assistant Commissioner (State Tax), Nellore in its order has confirmed a demand for Goods & Service Tax (GST) for an amount of Rs. 639.18 million (of which Rs. 366.67 million pertains to FY 2017-18 and Rs. 272.51 million for FY 2018-19) along with interest of Rs. 405.17 million and penalty of Rs. 63.92 million aggregating to a total tax demand of Rs. 1,108.27 million against the earlier Show Cause Notices (SCNs) issued for levy of GST on Transmission charges incurred and reimbursed by the Company. Group has obtained a expert opinion and filed its reply to the said authorities contending that such transmission charges are not subject to GST. Considering the facts of the case and expert opinion obtained, the company believes it has a good case in its favour and no adjustments are required in the financial statements.

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

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

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

III) Bank guarantees

Particulars	As at 31 March 2022	As at 31 March 2021
Bank guarantees with customs and excise	8,345.24	8,387.81
Bank guarantees for PPA and other commitments	8,714.90	6,487.14
	17,060.14	**14,874.95**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.38. Contingent liabilities and commitments (to the extent not provided for) (Contd..)

IV) Liquidated damages and bank guarantees encashment:

In earlier years the Group raised a claim of ₹ 2,882.50 million and of US$ 9.04 million towards liquidated damages on one of its EPC contractor for delay in the achievement of provisional acceptance for which the Group had to incur additional cost to commence operations and encashed performance bank guarantee of ₹ 516.00 million on April 19, 2017 and ₹ 2,915.00 million on November 3, 2017 respectively. Also, a claim of US $ 40.97 million was raised on EPC equipment suppliers consortium towards the delay in agreed delivery schedule and non-achievement of project provisional acceptance.

The EPC contractor had invoked Arbitration proceedings and filed its statement of claims of ₹ 15,579.00 million with interest. The Group filed its statement of defence along with a counter claim of ₹ 10,127.00 million and US$ 9.04 million. The matter is pending disposal as of date. Based on the statement of defense filed by the Group and legal counsel view, the Group believes it has a good case in its favour and no adjustment is required in the financial statements.

V) Electricity duty demand:

During earlier years, the Group received an intimation from the Chief Electrical Inspector, Government of Andhra Pradesh ('GoAP'), whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to ₹1493.62 million. Based on the internal assessment and legal opinion obtained by the Group, the management believes that the provisions of Electricity Duty Act, and Rules, 1939 in respect of payment of electricity duty are not applicable to the Group and accordingly no adjustments has been made in financial statements of the Group for the year ended March 31, 2022.

3.39 Share-based payments

The Group participates in Share based plans of ultimate holding company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Restricted Share Plan (SCI RSP) and Performance Share Plan (SCI PSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. The SCI RSP is for directors and employees of the Group, whereas the SCI PSP is primarily for key executives of the Group. The details of share plans are as follows:

a) SCI Restricted Share Plan (RSP)

The number of the restricted share awards granted are based on the achievement of stretched financial and nonfinancial targets for the preceding calendar year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards. For the grant awarded during the year, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

b) SCI Performance Share Plan (PSP)

The SCI PSP is targeted at senior management who shoulder the responsibility for the Group's performance and who are able to drive the growth of the Group to deliver long-term shareholder value. Awards granted under the SCI PSP are performance-based and performance targets set under the SCI PSP are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

The following is the summary of movement in RSP and PSP

Particulars	March 31 2022		March 31 2021	
	RSP	PSP	RSP	PSP
Outstanding at the beginning of the year	12,78,220	4,58,752	6,82,859	3,26,000
Granted during the year	3,83,514	30,33,800	12,70,353	3,23,636
Vested and exercised during the year	(4,59,072)	(4,33,100)	(6,74,992)	–
Forfeited / lapsed during the year	(13,222)	–	–	(1,90,884)
Disposal of discontinued operation	(4,12,623)	–	–	–
At the end of the year	**7,76,817**	**30,59,452**	**12,78,220**	**4,58,752**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.39 Share-based payments (Contd..)

Information on outstanding and exercisable RSP and PSP is as set out below:

Particulars	March 31 2022		March 31 2021	
	RSP	PSP	RSP	PSP
Options outstanding at the end of the year				
Number of options outstanding	7,76,817	30,59,452	12,78,220	4,58,752
Remaining contractual life in years	0.00-1.25	0.00-4.06	1.83-2.44	1.62
Risk free interest rate (depending in maturity)	0.47% – 0.96%	0.4% – 1.3%	0.77% – 0.96%	0.77% – 0.96%
Expected dividend yield shares	3.50%-4.20%	3.50%-4.20%	3.50%	3.50%
Weighted average price (SGD)	1.75	1.71	1.59	1.24

The fair values of the PSP and RSP are estimated using a Monte Carlo simulation at the grant dates. The Group had charged ₹ 166.98 million (March 31 2021: ₹ 66.57 million) on account of share based payment based on the fair value of the performance shares and restricted shares at the grant date and is being expensed over the vesting period.

3.40 During the previous years, the Group had filed insurance claim for damage and business interruption on account of breakdown of stator and repair of rotor with New India Assurance Company Limited. During the previous year the Group had received an insurance claim amounting to ₹ 781.72 million and the same was accounted as insurance claim recovered.

3.41 The Group has accounted Rs 2,525.86 million (March 31, 2021: Rs. 1,543.88 million) as Goods and service tax(GST) input tax credit for claiming refund against export of electricity made to Bangladesh. However, the input tax credit refund has been disputed by GST Authorities primarily for non-submission of shipping bill as a proof of export for which representation has been filed by the Group with Ministry of Finance and seeking assistance from Ministry of Power for resolution of the matter. The Group has also filed writ petitions with High Court of Andhra Pradesh, seeking relief against the order of GST Authorities in which they have rejected GST refund applications of the Group.

During the year, the Group has received a notice from the office of the Commissioner of Central Tax, Guntur Commissionerate (Anti Evasion) requesting the Group to reverse the input tax credit ('ITC') availed in earlier years. Group has provided relevant replies to the department for the notice so received, stating that the sale of electricity to Bangladesh qualifies as an export and eligible for ITC.

The Group has taken a legal opinion on the above matter and based on such opinion, management is of the view that it has a good case and no adjustment is required in the financial statements.

3.42 The Group had in earlier year filed a petition under Section 79 of the Electricity Act, 2003 seeking compensation on account of Change in Law events in terms of its Power Purchase Agreement (PPA) entered into with Andhra Pradesh and Telangana DISCOMs for supply of 500 MW power from its power generation plant. Central Electricity Regulatory Commission (CERC) vide its order dated August 21, 2020, had accepted the events and claims set out by the Group as Change in Law events. Accordingly, during the previous year, the Group had accounted an amount of ₹ 6,478.22 million for change in law claims up to March 31, 2021 of which ₹ 5,225.90 million has been accounted as revenue from operations while ₹ 1,252.31 million related to carrying cost has been classified as Other income.

3.43 During the previous year ended March 31 2021, the Group has accounted Late payment surcharges from customers ₹ 2,846.56 million which includes ₹686.94 million as an adjusting event inline with the guidance under Ind AS 10 ('Events after the reporting period').

3.44 As per the Mega Power Projects Policy 2009, the Group needs to enter into a long term PPAs for a minimum of 85% of the net capacity to avail the customs/excise duty benefits for capital equipment procured for power generation. During the year, the Group determined that the duty benefit will not be available for ₹ 2,047.64 million due to absence of long term PPAs and consequently provided for the same towards cost of PPE. In case of the remaining unfilled conditions, , the Group believes it will be able to comply with the conditions attached to benefit.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.45 The Group has assessed the impact of Covid-19 on the financial information, business operations, liquidity position and cash flows and has concluded no adjustments are required in respect of carrying amounts of assets and liabilities as at March 31, 2022. The Group will continue to closely monitor the situation arising on account of Covid-19 pandemic considering both internal and external factors.

3.46 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

3.47 Relationship with struck off companies:

Name of the struck off company	Nature of transaction with struck off company	Balance Outstanding as at March 31 2022	Balance Outstanding as at March 31 2021	Relationship with the struck off company, if any, to be disclosed
G8ARK factories private limited	Advance from customer	(0.01)	(0.01)	Not applicable
Omega power erectors private limited	Payable towards repairs and maintenance expense	(0.05)	–	Not applicable

3.48 During the year ended March 31, 2022 and March 31, 2021, the Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries"

3.49. Additional information as required under schedule III of the Companies Act, 2013, in respect of consolidated subsidiaries for financial year 2021-22 and 2020-21 are as below:

Financial year 2021-22

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/(loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Parent								
Sembcorp Energy India Limited	1,10,993.13	100.00%	1,423.65	40.61%	142.15	91.43%	1,565.80	42.76%
Subsidiaries								
Sembcorp Green Infra Limited	–	0.00%	245.94	7.02%	0.85	0.55%	246.79	6.74%
TPCIL Singapore Pte. Ltd	0.69	0.00%	(0.31)	(0.01%)	–	0.00%	(0.31)	(0.01%)
Step-down subsidiaries								
Green Infra Wind Energy Limited	–	0.00%	843.38	24.06%	1.13	0.73%	844.51	23.06%
Green Infra Corporate Solar Limited	–	0.00%	0.02	0.00%	0.43	0.28%	0.45	0.01%
Green Infra Wind Power Limited	–	0.00%	(7.92)	(0.23%)	0.63	0.41%	(7.29)	(0.20%)
Green Infra Corporate Wind Limited	–	0.00%	4.32	0.12%	0.61	0.39%	4.93	0.14%
Green Infra Wind Energy Assets Limited	–	0.00%	(5.41)	(0.15%)	0.77	0.50%	(4.64)	(0.13%)
Green Infra Wind Farm Assets Limited	–	0.00%	92.61	2.64%	1.30	0.84%	93.91	2.57%

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/(loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Green Infra Wind Energy Project Limited	–	0.00%	21.25	0.61%	2.05	1.32%	23.30	0.64%
Green Infra Wind Solutions Limited	–	0.00%	20.04	0.57%	(0.07)	(0.05%)	19.97	0.55%
Green Infra Wind Power Generation Limited	–	0.00%	70.69	2.02%	0.30	0.19%	70.99	1.94%
Green Infra Wind Farms Limited	–	0.00%	62.78	1.79%	0.08	0.05%	62.86	1.72%
Green Infra Wind Generation Limited	–	0.00%	189.97	5.42%	–	0.00%	189.97	5.19%
Green Infra Wind Power Projects Limited	–	0.00%	24.40	0.70%	0.58	0.37%	24.98	0.68%
Green Infra BTV Limited	–	0.00%	63.61	1.81%	0.10	0.06%	63.71	1.74%
Green Infra Wind Energy Theni Limited	–	0.00%	18.43	0.53%	0.29	0.19%	18.72	0.51%
Green Infra Wind Power Theni Limited	–	0.00%	5.43	0.16%	0.07	0.05%	5.50	0.15%
Mulanur Renewable Energy Limited	–	0.00%	25.92	0.74%	(0.03)	(0.02%)	25.89	0.71%
Green Infra Solar Energy Limited	–	0.00%	54.68	1.56%	1.44	0.93%	56.12	1.53%
Green Infra Solar Farms Limited	–	0.00%	82.26	2.35%	1.74	1.12%	84.00	2.29%
Green Infra Solar Projects Limited	–	0.00%	15.39	0.44%	0.54	0.35%	15.93	0.44%
Green Infra Wind Ventures Limited	–	0.00%	(67.60)	(1.93%)	–	0.00%	(67.60)	(1.85%)
Green Infra Renewable Energy Limited	–	0.00%	339.66	9.69%	0.51	0.33%	340.17	9.29%
Green Infra Wind Assets Limited	–	0.00%	(49.21)	(1.40%)	–	0.00%	(49.21)	(1.34%)
Green Infra Wind Technology Limited	–	0.00%	(4.62)	(0.13%)	–	0.00%	(4.62)	(0.13%)
Green Infra Wind Limited	–	0.00%	(0.08)	(0.00%)	–	0.00%	(0.08)	(0.00%)
Green Infra Renewable Projects Limited	–	0.00%	36.79	1.05%	–	0.00%	36.79	1.01%
Green Infra Solar Power Projects Limited	–	0.00%	–	0.00%	–	0.00%	–	0.00%
Green Infra Solar Generation Limited	–	0.00%	–	0.00%	–	0.00%	–	0.00%
Total	**1,10,993.82**	**100.00%**	**3,506.07**	**100.00%**	**155.47**	**100.00%**	**3,661.54**	**100.00%**
Non-controlling interests in subsidiaries	–		104.89		0.11		105.00	
Inter group eliminations and adjustments	(2.92)		23,735.91		(9.80)		23,726.11	
Consolidated figures	**1,10,990.90**		**27,346.87**		**145.78**		**27,492.65**	

Financial year 2020-21

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/(loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Parent								
Sembcorp Energy India Limited	1,09,581.97	66.14%	8,720.12	103.51%	554.68	89.02%	9,274.80	102.51%
Subsidiaries								
Sembcorp Green Infra Limited	24,484.03	14.78%	535.93	6.36%	(0.07)	(0.01%)	535.86	5.92%
TPCIL Singapore Pte. Ltd	1.00	0.00%	(0.36)	(0.00%)	–	0.00%	(0.36)	(0.00%)
Step-down subsidiaries								

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.49. (Contd..)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/(loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Green Infra Wind Energy Limited	17,855.42	10.78%	(328.84)	(3.90%)	(0.58)	(0.09%)	(329.42)	(3.64%)
Green Infra Corporate Solar Limited	1,561.84	0.94%	(258.03)	(3.06%)	0.12	0.02%	(257.91)	(2.85%)
Green Infra Wind Power Limited	203.13	0.12%	(23.49)	(0.28%)	4.84	0.78%	(18.65)	(0.21%)
Green Infra Corporate Wind Limited	223.76	0.14%	(17.65)	(0.21%)	5.40	0.87%	(12.25)	(0.14%)
Green Infra Wind Energy Assets Limited	345.32	0.21%	(15.53)	(0.18%)	5.31	0.85%	(10.22)	(0.11%)
Green Infra Wind Farm Assets Limited	1,035.49	0.63%	70.35	0.84%	8.69	1.40%	79.04	0.87%
Green Infra Wind Energy Project Limited	867.08	0.52%	44.48	0.53%	13.43	2.16%	57.91	0.64%
Green Infra Wind Solutions Limited	822.56	0.50%	4.66	0.06%	–	0.00%	4.66	0.05%
Green Infra Wind Power Generation Limited	1,074.64	0.65%	(73.23)	(0.87%)	(0.02)	(0.00%)	(73.25)	(0.81%)
Green Infra Wind Farms Limited	(38.69)	(0.02%)	7.30	0.09%	(0.09)	(0.01%)	7.21	0.08%
Green Infra Wind Generation Limited	(337.84)	(0.20%)	(92.28)	(1.10%)	–	0.00%	(92.28)	(1.02%)
Green Infra Wind Power Projects Limited	154.71	0.09%	(45.00)	(0.53%)	4.73	0.76%	(40.27)	(0.45%)
Green Infra BTV Limited	1,519.25	0.92%	(86.76)	(1.03%)	(0.14)	(0.02%)	(86.90)	(0.96%)
Green Infra Wind Energy Theni Limited	201.59	0.12%	8.79	0.10%	2.23	0.36%	11.02	0.12%
Green Infra Wind Power Theni Limited	104.88	0.06%	17.41	0.21%	0.54	0.09%	17.95	0.20%
Mulanur Renewable Energy Limited	492.86	0.30%	16.20	0.19%	(0.01)	(0.00%)	16.19	0.18%
Green Infra Solar Energy Limited	670.90	0.41%	67.96	0.81%	9.12	1.46%	77.08	0.85%
Green Infra Solar Farms Limited	1,236.35	0.75%	69.87	0.83%	11.38	1.83%	81.25	0.90%
Green Infra Solar Projects Limited	325.27	0.20%	11.28	0.13%	3.62	0.58%	14.90	0.17%
Green Infra Wind Ventures Limited	787.28	0.48%	(36.52)	(0.43%)	–	0.00%	(36.52)	(0.40%)
Green Infra Renewable Energy Limited	2,774.51	1.67%	131.33	1.56%	(0.05)	(0.01%)	131.28	1.45%
Green Infra Wind Assets Limited	(119.15)	(0.07%)	(162.06)	(1.92%)	–	0.00%	(162.06)	(1.79%)
Green Infra Wind Technology Limited	0.49	0.00%	(8.00)	(0.10%)	–	0.00%	(8.00)	(0.09%)
Green Infra Wind Limited	(1.92)	(0.00%)	(0.08)	(0.00%)	–	0.00%	(0.08)	(0.00%)
Green Infra Renewable Projects Limited	(132.90)	(0.08%)	(132.99)	(1.58%)	–	0.00%	(132.99)	(1.47%)
Total	**1,65,693.83**	**100.00%**	**8,424.86**	**100.00%**	**623.13**	**100.00%**	**9,047.99**	**100.00%**
Non-controlling interests in subsidiaries	132.30		(55.34)		(0.08)		(55.42)	
Inter group eliminations and adjustments	(81,928.74)		67.05		(69.27)		(2.22)	
Consolidated figures	**83,897.39**		**8,436.57**		**553.78**	**–**	**8,990.35**	**–**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.50 Additional regulatory information required by Schedule III

i) There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

ii) The Group is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction of number of Layers) Rules, 2017 during the year ended March 31, 2022 and March 31, 2021.

iii) The Group has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

iv) Details of benami property held : No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2022 and March 31, 2021.

v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2022 and March 31, 2021

vi) During the year ended March 31, 2022 and March 31, 2021, the Group has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

viii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix) During the year ended March 31, 2022 and March 31, 2021, the Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Notice of the 14th Annual General Meeting

Notice is hereby given that the 14th Annual General Meeting (AGM) of the members of Sembcorp Energy India Limited will be held on Tuesday, 23rd day of August, 2022, at the Registered office of the Company at 11.00 AM at 5th Floor, Tower C, Building No.- 8, DLF Cybercity, Gurugram - 122002, Haryana, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of Directors and Auditors thereon and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Report of Auditors thereon and in this regard to pass the following resolution(s) as ordinary resolution(s);

   a. **"RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of Directors and Auditors thereon be and are hereby considered and adopted."

   b. **"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Report of Auditors thereon be and are hereby considered and adopted."

2. To appoint a director in place of Ms. Looi Lee Hwa (DIN: 08058201), who retires by rotation and being eligible, offers herself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:

   "RESOLVED THAT Ms. Looi Lee Hwa (DIN: 08058201), who retires by rotation be and is hereby re-appointed as a Director of the Company, whose office shall be liable to retirement by rotation."

SPECIAL BUSINESS

3. **Ratification of Cost Auditor's Remuneration**

   To consider and if thought fit, to pass, with or without modifications the following resolution as an **Ordinary Resolution**;

   "RESOLVED THAT pursuant to Section 148 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 members of the Company hereby consider, approve and ratify the remuneration of ₹ 6,60,000/- (Rupees six lakhs sixty thousands only) excluding out of pocket expenses and Goods and Service tax payable to M/s. Narasimha Murthy & Co., Cost Accountants, who have been appointed as Cost auditors to conduct the audit of cost records maintained by the Company for the financial year 2022-23.

   FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby severally authorized to do all such things and deeds 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**

NARENDRA ANDE
COMPANY SECRETARY
M. No. A 14063

Place : Gurugram
Date : August 03, 2022

Notes :

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in Item No. 3 above and the relevant details of the Director seeking re-appointment under Item No. 2 above as required under Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed hereto.

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. Such a proxy need not be a member of the Company. Proxies, in order to be valid and effective, must be received at the Company's Registered Office not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, partnership firms etc., must be supported by appropriate resolution/ authority as applicable, issued on behalf of the nominating organization. Proxy form is enclosed.

   Members are requested to note that in case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member.

3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of board resolution on the letterhead of the company, signed by one of the directors or company secretary or any other authorized signatory named in the resolution, authorizing their representatives to attend and vote their behalf at the meeting.

4. Members/Proxies are requested to hand over the enclosed Attendance Slip duly filled in, at the entrance for attending the meeting.

5. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

6. Relevant Documents referred to in the Notice and Explanatory Statement are available for inspection by the members at the Registered Office of the Company during Office hours between 03.00 P.M. and 05.00 P.M on all working days upto the date of the Annual General Meeting and also at the meeting.

7. The Record date for the purpose of identifying the Register of Members has been fixed as August 19, 2022.

8. Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company / respective Depository Participants (DP).

9. The Notice of the AGM along with the Annual Report 2021-22 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

10. To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with the Company/ Karvy /Depositories.

Annexure

Details of the Directors seeking appointment/ re-appointment at the forthcoming Annual Ordinary General Meeting (In pursuance of Secretarial Standard - 2 on General Meetings)

Name of Director	Ms. Looi Lee Hwa
Date of Birth (Age)	July 01, 1965 (57 years)
Date of Appointment	February 02, 2018
Expertise in specific functional areas	Ms. Looi Lee Hwa oversees legal, ethics and compliance matters within the group. She brings to Sembcorp rich experience in her field, having worked in legal and compliance positions in diverse industries, including shipping, manufacturing as well as oil and gas. Prior to joining Sembcorp, she was group general counsel and company secretary at Neptune Orient Lines Group and at Chartered Semiconductor Manufacturing.
Qualifications	LLB(Hons) from National University of Singapore
Directorships held in other companies*	Sembcorp India Private Limited
Membership/ Chairmanship of Committees of other Boards	Nil
Terms and conditions of appointment	Nil
Remuneration	Nil
No. of meetings of the Board attended during the year (2021-22)	7 (seven)
No. of shares held	Nil
Inter-se relationship with other Directors	None

*excludes directorship held in Foreign Companies

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Pursuant to Section 148 of the Act, the Company is required to get its cost records audited by a cost accountant in practice. On the recommendation of the Audit Committee, the Board of Directors have approved the re-appointment of M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2022-23, at a remuneration of ₹ 6,60,000 (Rupees six lakhs sixty thousands only), plus Goods and Service tax and actual out-of-pocket expenses.

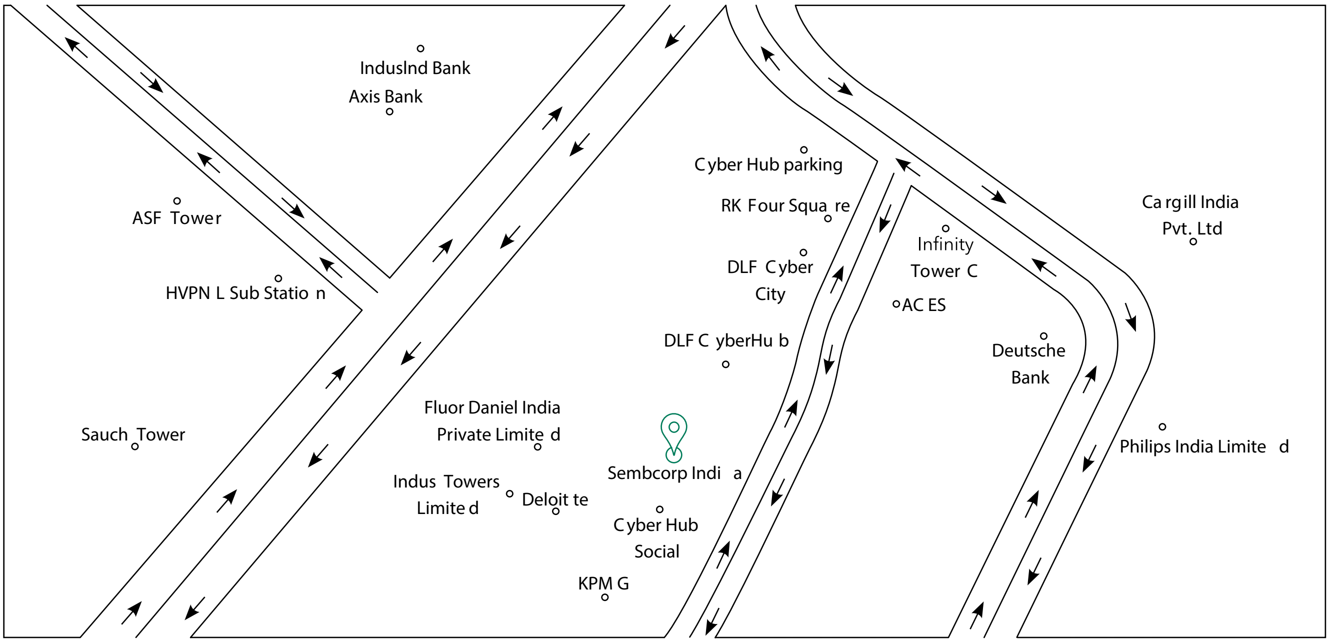
M/s. Narasimha Murthy & Co., Cost Accountants have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company having vast experience in the field of cost audit.

The Board commends the Resolution at Item No. 3 of the accompanying Notice for ratification of the Cost Auditors' remuneration by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

ROUTE MAP FOR AGM VENUE:

Venue for the Meeting : 5th Floor, Tower C, Building No.- 8, DLF Cybercity, Gurugram - 122002, Haryana.



Sembcorp Energy India Limited

Reg Off: 5th Floor, Tower C, Building No.- 8, DLF Cybercity, Gurugram - 122002, Haryana

Ph: 0124-389 6700; Fax: 0124-389 6710 ; **email:** cs.india@sembcorp.com; Website : www.sembcorpenergyindia.com

PROXY FORM (FORM NO. MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	U40103HR2008PLC095648
Name of the Company	Sembcorp Energy India Limited
Registered Office	5th Floor, Tower C, Building No.- 8, DLF Cybercity, Gurugram - 122002, Haryana

Name of the Member(s)	
Registered Address	
E-mail id	
Folio No/ Client Id	
DP Id	

I/We, being the member (s) of .... shares of the above named company, hereby appoint:

Name	
Address	
E-mail ID	
Signature	

Or failing him;

Name	
Address	
E-mail ID	
Signature	

Or failing him;

Name	
Address	
E-mail ID	
Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Tuesday, August 23, 2022 at 11.00 AM at 5th Floor, Tower C, Building No.- 8, DLF Cybercity, Gurugram - 122002, Haryana and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Resolution No.	Resolution	For	Against
1	To consider and adopt : (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of Directors and Auditors thereon and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Report of Auditors thereon		
2	Re- appointment of Ms. Looi Lee Hwa (DIN: 08058201) as Director, who retires by rotation and being eligible offers herself for reappointment.		
3.	Approval and ratification of Cost Auditor's Remuneration		

Signed this............. day of.................. 2022

Affix Revenue Stamp

Signature of shareholder

Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. Those Members who have multiple folios with different joint holders may use copies of the Proxy Form.

Sembcorp Energy India Limited

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Attendance Slip for the 14th Annual General Meeting

(to be handed over at the Registration Counter)

I/We hereby record my /our presence at the 14th Annual General Meeting of the Company on Tuesday, August 23, 2022 at 11.00 AM at the Registered office of the Company at 5th Floor, Tower C, Building No.- 8, DLF Cybercity, Gurugram - 122002, Haryana

NAME (S) AND ADDRESS OF THE MEMBER(S) ______________________________

____

____

Folio No./DP ID No. and Client ID No* ______________________________

Number of Shares ______________________________

Please ✓ (tick) in the Box

☐ Member ☐ Proxy

______________________ ______________________

First / Sole Holder/ Proxy Second Holder/ Proxy

NOTES:

I. Member / Proxy attending the Annual General Meeting (AGM) must bring his / her Attendance Slip which should be signed and deposited before entry at the Meeting Hall.

II. Duplicate Attendance Slip will not be issued at the venue.

Registered Office

Sembcorp Energy India Limited
5th Floor, Tower C, Building No 8, DLF Cybercity,
Gurugram - 122002, Haryana

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