Essential **Energy** Sustainable **Growth**

SEIL Energy India Limited

Annual Report 2022 - 23

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Corporate Information

Board of Directors

Tareq Mohamed Sultan Al Mugheiry
Chairman

Raghav Trivedi
Whole Time Director & CEO

Hamad Mohammad Hamood Al Waheibi
Director

Cyrus Erach Cooper
Director

Radhey Shyam Sharma
Independent Director

Sangeeta Talwar
Independent Director

Kalaikuruchi Jairaj
Independent Director

Key Managerial Personnel

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary

Audit Committee

Radhey Shyam Sharma
Chairman

Sangeeta Talwar
Member

Kalaikuruchi Jairaj
Member

Cyrus Erach Cooper
Member

Nomination and Remuneration Committee

Sangeeta Talwar
Chairperson

Radhey Shyam Sharma
Member

Kalaikuruchi Jairaj
Member

Tareq Mohamed Sultan Al Mugheiry
Member

Hamad Mohammad Hamood Al Waheibi
Member

Corporate Social Responsibility Committee

Kalaikuruchi Jairaj
Chairman

Radhey Shyam Sharma
Member

Sangeeta Talwar
Member

Tareq Mohamed Sultan Al Mugheiry
Member

Stakeholders Relationship Committee

Kalaikuruchi Jairaj
Chairman

Radhey Shyam Sharma
Member

Cyrus Erach Cooper
Member

Statutory Auditors

Deloitte Haskins & Sells
Hyderabad

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
RBL Bank
ICICI Bank
Axis Bank

Registered & Corporate Office

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

Plant location

Project 1 (P1):

Pynampuram/ Nelaturu Village,
Muthukur Mandal,
Nellore – 524344,
Andhra Pradesh

Project 2 (P2):

Ananthavaram Village,
Varakavipudi Panchayat,
TP Gudur Mandal,
Nellore – 524344,
Andhra Pradesh

SEIL Energy India Limited - SEIL - (Formerly Sembcorp Energy India Limited) is a leading independent power producer (IPP) and committed to energy security. We are dedicated to fulfilling the present and future energy requirements sustainably. We recognise our responsibility to reliably generate electricity that paves the way for a sustainable tomorrow. At SEIL Energy India Limited, we strive to supply reliable power to all our customers in the region and support our communities in an all-encompassing manner for the region's progress.

In line with our commitment, we actively champion and engage in the journey of energy security while steadfastly delivering a reliable power supply. As a responsible player in the thermal energy sector of India, our unwavering focus is on supporting the region to meet its exponentially growing energy needs due to rapid urbanisation and industrialisation.

Driven by a culture of sustainable growth, our dedication remains unwavering. We are committed to fulfilling the needs of our customers and stakeholders for building a resilient future.

At a Glance

Highlights of FY 2022-23

Net block* (million)

₹1,44,846

FY 2022-23

EBITDA margin (%)**

23.82%

FY 2022-23

Net worth* (million)

₹1,17,061

FY 2022-23

ROCE (%)

8.76%

FY 2022-23

Profit after tax*

₹6,214 (million)

FY 2022-23

**Numbers rounded off to the nearest decimal*
***Before exceptional items*

200 MW PPA with PTC for supply to BPDB signed

Tariff adoption approval received in AP625 Long Term PPA, supply started from 1st Feb'23

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

MW- Megawatts
GW- Gigawatts

Message from CEO

Dear Shareholders,

As we reflect on the performance of the fiscal year 2022-23, I am filled with a sense of achievement and pride. This year presented us with a range of challenges and opportunities, and I am delighted that SEIL successfully navigated through them with strategic foresight and resilience.

As India progresses towards becoming the world's third-largest economy, we at SEIL are fully committed to play a pivotal role in meeting the country's energy requirements to sustain the growth.

The global economy has been steadily recovering, accompanied by an increase in energy demand. However, this path to recovery has not been without obstacles. Geopolitical tensions and fluctuations in commodity prices have created an environment of uncertainty. The conflict between Russia and Ukraine has particularly heightened concerns about energy security among policymakers and industry leaders worldwide. By adopting a dynamic coal procurement strategy and building in coal grade acceptability within its operation, your company was able to persevere in the face of these obstacles, delivering a solid operational performance.

Steady demand growth supported by strong policy and regulatory measures have fostered a thriving and sustainable power sector

The power sector has experienced consistent growth, fuelled by increasing demand, the goal of universal electricity access, and the shift towards electric mobility. It acts as a catalyst for multiple industries such as manufacturing, agriculture, healthcare, and education, leading to economic development and enhancing quality of life.

India witnessed its highest ever year-on-year growth in power consumption during FY23, with a remarkable increase of 9.6% per annum, reaching 1512 BU compared to 1380 BU in FY22. This surge can be attributed not only to the robust GDP growth of 7.2% per annum in FY23 but also to a heat wave experienced during the summer of 2022. Looking ahead, as the projected GDP growth for FY24 is above 6% the focus on 24x7 power supply and the increasing adoption of electric vehicles (EVs) are expected to sustain high demand growth in the coming year. Furthermore, in the long-term, the demand is anticipated to remain strong, estimated to reach 1908 BU by FY27 and 2474 BU by FY32.*

In FY23, the government introduced several policy initiatives. The Late Payment Surcharge Rules were particularly significant as they aimed to address the need for a payment security mechanism for power sales and outstanding dues. Implementing these rules has streamlined the payment process and reduced outstanding receivables from the Discoms.

Another important step taken by the Ministry of Power was amending the Electricity (Rights of Consumers) Rules. The objective was to ensure 24x7 power supply to cities with a population of more than 1 lakh. State regulators were also mandated with monitoring interruptions as part of discom reliability indicators.

Furthermore, with the increasing penetration of renewable energy, there are challenges in planning and operating the grid due to its variable generation profile. Policymakers have recognized the need to strike a balance with other generation sources to fully utilize the benefits of renewable energy. To support conventional power generation, the government has encouraged investments to improve coal production and has also issued supportive policies for the development of transmission systems.

Strengthening performance

As we strive for sustainable energy generation, we constantly set new benchmarks for operational efficiencies and redefine paradigms. Our primary focus is on building enduring and trusted relationships with discoms, partners, employees, and other stakeholders. We firmly believe that caring for our communities is the foundation of our long-term sustainability.

Despite ongoing geopolitical tensions and market fluctuations, we have continued to generate power sustainably while maintaining strict adherence to global standards of operations and local environmental protocols. Leveraging our robust risk management policies to mitigate grade and geographical dependency, SEIL's in-house logistics team was able to respond to these uncertainties promptly.

Our pursuit of operational excellence encompasses efficient fuel sourcing, a customer-centric approach, and reliability. Despite the challenging power sales market, SEIL's operations maintained an average Plant Load Factor (PLF) of 73.51% and achieved positive PAT results.

Some of the other highlights during this period are as follow:

- Operationalising of 625MW power purchase agreement with Andhra Pradesh
- Received approval CEA to connect SEIL P2 with Andhra Pradesh state transmission network
- Operations was optimised with additional tie-up of short term PPAs through planned pricing and quantum strategy
- Maximisation of domestic coal supply under various agreements entered with Coal India (FSA and auction supply).
- Prudent coal sourcing and utilisation of various grade and geographical arbitrage opportunities resulted in significant savings against market benchmarks.
- SEIL P1 and P2 recorded 100% ash utilisation resulting in
- Highest ever revenue earning - INR 15.28 Cr (INR 13.53 in CY21)
- Highest ever fly Ash offtake - 25,63,650 MT (22,48,541 LMT in CY21)

Health, safety, and environment

At SEIL, the health, safety and well-being of our employees are of utmost importance. We are dedicated to fostering a strong safety culture throughout our operations. In FY23, SEIL achieved a certification for 5S workplace management and received recognition with the Frost & Sullivan-TERI Runner-Up Challenger Award

We are continuously integrating our operational processes to ensure swift action in response to any unforeseen incidents that may affect the health and safety of our workforce. I am proud to report that, even during these challenging times, the courage demonstrated by our employees has enabled us to maintain the highest levels of safety standards and precautionary measures.

Looking ahead

As I peer into the future, I envision India's power sector playing a crucial role in the country's economic progress and contributing to the energy security. A people-centric approach, supported by well-designed policies, will not only help India forge a sustainable and more inclusive energy future but also serve as a model for other nations and communities worldwide seeking a balanced energy mix. Our long-term strategic goals remain guided by our commitment to providing reliable power and we are confident in our ability to achieve the same, creating value for our investors.

Transition

During the year, the consortium lead by Oman Investment Corporation SAOC which focuses on private equity investments and asset management business through its special purpose vehicle Tanweer Infrastructure SAOC, Oman acquired 100% of the shareholding in your Company from erstwhile promoters Sembcorp Industries Ltd, Singapore from January 19, 2023. Pursuant to the same, the company has now become the 100% subsidiary of Tanweer Infrastructure SAOC.

Gratitude

I extend my heartfelt appreciation to all my colleagues for their dedicated efforts, showcasing our culture of resilience and adaptability during these challenging times. I would like to express my gratitude for the unwavering trust and support we have received from our stakeholders, which will strengthen their positive association with SEIL in the years to come. Furthermore, I am thankful to the Board of Directors including the erstwhile Board members from SCU and our new promoters for their continued commitment, invaluable guidance, in supporting the company and its business.

Raghav Trivedi
Whole Time Director & CEO

* https://pib.gov.in/PressReleaseIframePage aspx?PRID=1928750

Board of Directors

Radhey Shyam Sharma

Hamad Mohammad Al Wahaibi

Tareq Mohammed Sultan Al Mugheiry

Sangeeta Talwar

Kalaikuruchi Jairaj

Cyrus Erach Cooper

Raghav Trivedi

> left to right

Tareq Mohammed Sultan Al Mugheiry

Chairman

Mr. Tareq Mohammed Sultan Al Mugheiry is the Chairman of the Board of Directors of SEIL Energy India Limited (Formerly Sembcorp Energy India Limited) and he is the Chief Investment Officer of Oman Investment Corporation SAOC. He has been a member of OIC's management team since its inception in 2005. Mr Tareq has over 20 years of experience in private equity and infrastructure investments, debt and equity raising, buy-side and sell-side M&A transactions and finance.

During his career span, he worked with large international institutions such as Philips Electronics (Netherlands, Corporate M&A and Strategy); JP Morgan (London, European M&A) and Oman LNG (Oman, Project Financing).

Mr Tareq serves on the board of Sohar International Bank SAOG and many of OIC's portfolio companies. He has degrees in law (LLB) and finance (B.Com.) from the University of Western Australia.

Hamad Mohammad Al Wahaibi

Director

Mr. Hamad Mohammad Al Wahaibi is the Director of SEIL Energy India Limited (Formerly Sembcorp Energy India Limited). He serves on the board of the National Bank of Oman, ACWA Power Company, and Voltamp Energy Company. He has been a Director of the Bank of Oman since March 2014. He has over 20 years of experience in areas of investment, asset management, business development and the financial sector.

During his career span, he held several key positions and has been a General Manager of investment with the Ministry of Defense Pension Fund. Mr Al Wahaibi is also a member of the boards of Renaissance Services Company and Oman Flour Mills Company.

Mr Al Wahaibi holds a Master of Business Administration degree, specializing in Finance. He is a Chartered Financial Analyst (CFA) charter holder, Chartered Alternative Investment Analyst (CAIA) charter holder, and has a Certificate in Investment Performance Measurement (CIPM).

Cyrus Erach Cooper

Director

Mr. Cyrus Erach Cooper is the Director of SEIL Energy India Limited (Formerly Sembcorp Energy India Limited) and he is the Chief Financial Officer of Oman Investment Corporation (OIC) SAOC. He has been a member of OIC's management team since 2013. Mr Cyrus has over 25 years of experience.

During his career span, he held several key positions including Executive Director of Sun Capital, MD of Halcyon Private Equity, CFO of Forbes, and Job Partner in Arthur Andersen/ EY. He led and managed several equity and debt fundraisings in Oman and international markets.

Mr Cyrus is a fellow Chartered Accountant (CA) from the Institute of Chartered Accountants of India (ICAI). He is also the Sloan Fellow Masters in Business and Strategy from London Business School.

Raghav Trivedi

Whole Time Director &
Chief Executive Officer

Raghav Trivedi is the Whole-time Director and Chief Executive Officer (CEO) of SEIL Energy India Limited (Formerly Sembcorp Energy India Limited). With about 40 years of experience in the power sector, Raghav has held multiple leadership and project management roles.

Before joining SEIL, he was with Hindustan Power Project as the Thermal Business President for around 7 years, and he has held senior positions in various reputed organisations, including Reliance Industries, L&T, and BHEL.

Raghav's experience in commissioning and managing power plants spans both the thermal and gas domains. Previously, as the EPC Head at Reliance, he has executed large thermal power plants for various clients. His expertise includes a broad range of operational and technical aspects, such as O&M, coal sourcing, engineering, and safety among others.

Raghav holds a bachelor's degree in electrical engineering from Motilal Nehru Regional Engineering College, Allahabad.

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 post-graduate diploma in management from the Indian Institute of Management, Kolkata. Additionally, she has completed the executive development programme at the Wharton School, University of Pennsylvania. Sangeeta 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 of marketing, Mattel Inc. as its managing director, India, Tata Tea Limited as its executive director, of marketing and NDDB Dairy Services as its Managing Director.

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. Radhey Shyam Sharma has been previously associated with ONGC Limited as its Chairman and Managing Director.

Kalaikuruchi Jairaj

Independent Director

Kalaikuruchi Jairaj is an Independent Director on our Board. He holds a bachelor's degree in economics and law from Bangalore University and a master's degree in Economics from the Delhi School of Economics. He also holds a master's degree in public administration from the Woodrow Wilson School of Public and International Affairs, Princeton University and a master's degree in public administration from the Kennedy School of Government, Harvard University. He has held the position of an additional chief secretary in the Government of Karnataka. He has been previously associated with the energy department of Bangalore Electricity Supply Company Limited as its chairman. He has also been associated with the World Bank as its senior public sector management specialist. Further, he has acted as the president of the All India Management Association, Delhi.

Industry overview

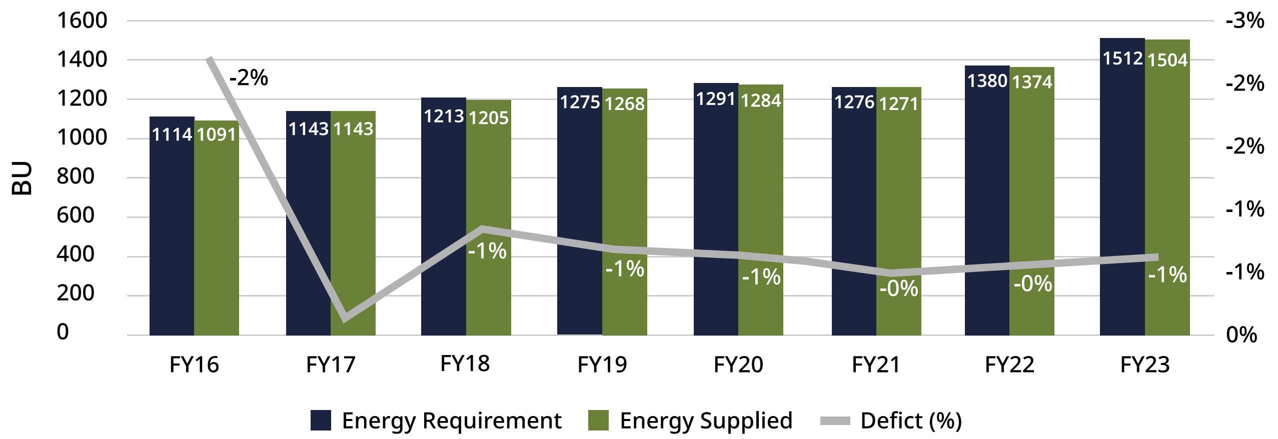
The Indian power sector has come a long way, serving as a catalyst for economic growth and improving the lives of millions. With the government's commitment, industry advancements, and sustainable practices, the sector is well-positioned to meet the challenges of the future. By ensuring reliable and affordable electricity access for all, promoting renewable energy, and embracing technological and structural innovations, the Indian power sector is driving an inclusive development of the nation.

Steady growth in demand

The power sector has witnessed steady growth, driven by rising demand, universal access to electricity and transition towards electric mobility. It has become a catalyst for various sectors, including manufacturing, agriculture, healthcare, and education, fostering economic development, and improving quality of life.

In FY23 India's power consumption saw its highest ever year-on-year growth of 9.6% reaching 1512 BU as compared to 1380 BU in FY22. Along with high GDP growth which stood at 7.2% for FY23, a heat wave during summer of 2022 also contributed towards such a high demand. The projected GDP growth for FY24 is slightly lower, however with the focus on 24x7 supply along with growing EV utilisation, demand growth is expected to remain high for the coming year. Even in the long-term, demand growth is expected to remain high which is estimated to reach 1908 BU by FY27 and 2474 BU by FY32.

Figure 1: Steady growth in demand



Thermal capacity to balance the increasing share of renewable to support demand growth.

To support the surging demand, substantial efforts have been made to enhance power generation capacity and improve transmission & distribution infrastructure along with continued focus towards renewable energy sources, which have seen tremendous growth in recent years.

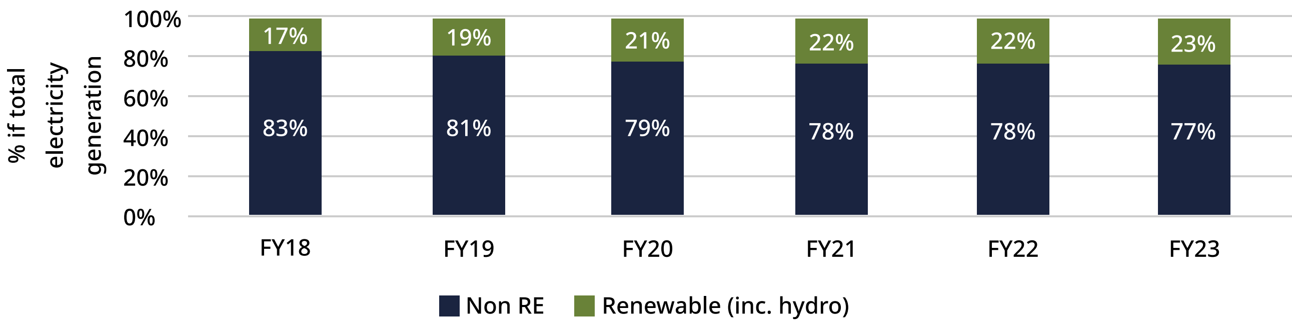
On the back of technological advancements in renewables and with continued government support, the total generation capacity has reached 416 GW as of March 2023, of this around 51% is contributed by the private sector. Large-scale renewable projects, such as the development of solar parks and wind farms, have bolstered the renewable energy sector, which has supported diversifying the energy mix and reducing dependency on fossil fuels.

Figure 2: Capacity addition during FY23

Particulars	Installed Capacity	Addition	Retirement	Net Addition
Mar'2022	399497			
Coal		1460	304	1156
Gas		0	75	-75
Diesel		79		79
Nuclear		0		0
Hydro		128		128
RES		15274		15274
Mar'2023	416059			
All units are in MW				

India has set a target to achieve 50% of its energy from renewable sources by 2030 and has also committed to become carbon neutral by 2070. During the transition period towards increased utilisation of renewable energy, thermal sources particularly coal, will play a vital role. Adopting this approach, India aims to achieve two significant goals: ensuring uninterrupted supply to support economic growth, while simultaneously accelerating the transition to cleaner sources.

Figure 3: Increasing share of Renewable in electricity generation



Although renewable energy has enormous environmental and energy security benefits, it poses a challenge due to its variable generation profile. Such increasing penetration of renewable energy presents a challenge in planning as well as operation of grid. Thus, its benefits can be fully utilised only by striking a right balance with other dispatchable generation sources. Recognizing this, the government has encouraged investments to improve coal production to support thermal generation. At the same time significant momentum has been gained through commercial mining. Coal production recorded highest year on year growth and also reached highest annual production. Increased domestic coal production along with lower coal-based capacity addition has resulted in improved utilisation (PLF) of existing coal-based capacity.

Figure 4: Domestic coal production

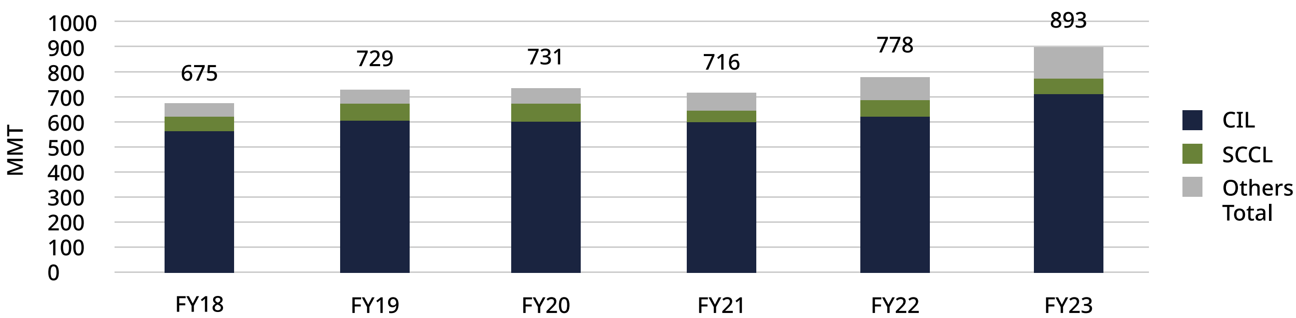
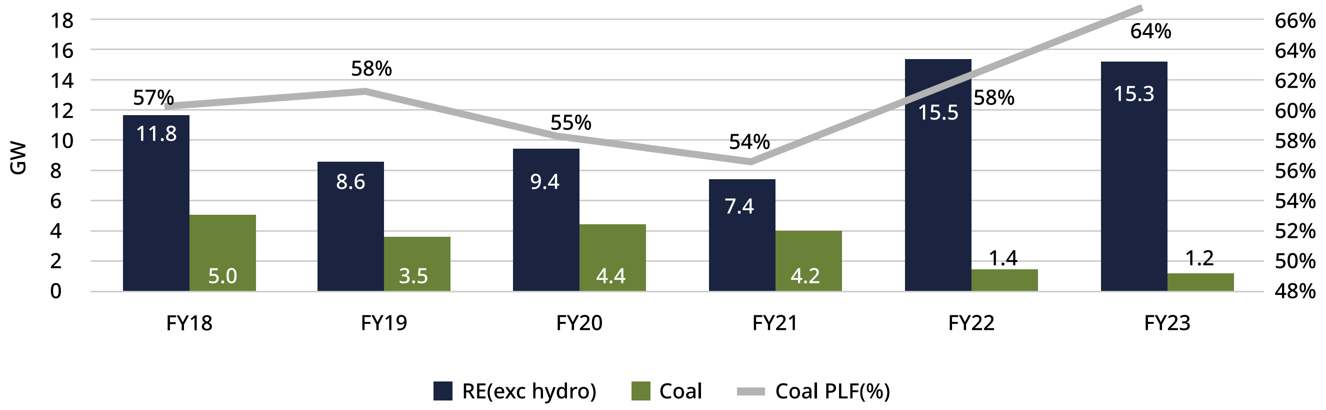


Figure 5: Higher coal production and lower coal-based capacity addition resulted in improved PLF



To further support the energy transition with consistent growth, government has also issued supporting policies for development of storage systems including batteries and pumped storage hydro projects. Also there has been now more focus on hybrid (wind-solar) bids to be able to provide round-the-clock supply and optimally utilise the transmission system. This will ensure optimum balance in the sector resulting in economical, clean, and reliable power supply.

Recent policy initiatives to address the ongoing issues and provide new opportunities in the sector.

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

To address issue of high receivables from the DISCOMs, Ministry of Power issued Late Payment Surcharge Rules. These rules provided for a time bound EMI 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. Implementation of these rules has smoothened the payments process and is helping to bring down the receivables from the DISCOMs.

Amendment to Electricity Rights of Consumers Rules: MoP recently issued amendment of Electricity (Rights of Consumers) Rules which provided to ensure 24x7 power supply to the cities with population more than 1 lakh. State regulators are also asked to monitor the interruptions making it as part of DISCOM reliability indicators. Further, to be able to improve cashflows of DISCOMs and implement demand side measures, viz. implementation of TOD Tariff, pre-paid payments, timely subsidy distribution etc., old meters of C&I consumers are to be replaced with smart/pre-paid meters. This will enhance growth in electricity demand and at the same time will ensure good financial health of DISCOMs.

Revised timelines have been issued by MOEF for compliance of emission norms by coal-based plants:

MOEF through Environment (Protection) Second Amendment Rules, 2022 has categorised the thermal plants under three categories based on their distance from NCR and other polluted cities. Depending on the category of plant, emission norms are to be complied by end of Dec’24 to Dec’27. The amendment rules also provide for imposition of environmental compensation at rate of Rs. 0.20 to 0.40 per unit of generation in case of non-compliance

Important Regulatory Developments

General Network Access (GNA) and Amendment in Sharing of ISTS Charge Regulations:

General Network Access is a major change in grid access regulations in India. Instead of the earlier 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. For new projects, generators would have to take only the connectivity and they will be deemed to have access required for dispatch of power. Also, to enable accelerated growth in RE capacity addition, GNA Regulations have provisions for timely completion of associated projects and penalties/ cancellation of connectivity in case projects do not come up in time.

Further, as per the amendment in Sharing of Inter State Transmission System Charges Regulations, charges for use of the transmission system shall now be borne only by procurers and not the generators. This will provide 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 plants had to take short-term open access or had to get fixed cost basis un-tied LTA to dispatch their power. For sale of power under spot market, applicable ISTS charges were earlier based on geographical location of the plant. With applicability of GNA, as generators will not have to bear the cost of ISTS charges, this will eliminate the disparity bringing all the plants at level playing field.

Sharing Regulations are now also aligned with the notification of Ministry to provide 100% waiver on ISTS charges for the procurement of RE power for projects commissioned till June, 2025. Post 2025, there will be staggered reduction in waiver till June, 2028. This will encourage commercial and industrial consumers to use open access route for procurement of power resulting in development of open access market for renewable energy.

DSM Regulations

Recently the central regulator has issued an amendment to Regulation on Deviation Settlement Mechanism (DSM), making it stringent compared to earlier DSM regulations. The slabs of deviation, from scheduled generation, bands for renewable projects have been reduced. This will push the renewable generators to forecast and schedule generation more accurately on day-ahead basis.

Also, the role of individual participants for stability of grid will be majorly shifted to the grid operator, by development of a separate ancillary market. Apart from enhancing safety of the grid, this mechanism opens up opportunities for the generators, especially the ones which can quickly ramp-up / ramp-down their capacities by providing grid support through ancillary services.

Draft Indian Electricity Grid Code (IEGC):

CERC came up with draft Indian Electricity Grid Code Regulation (IEGC), it has aligned these regulations with multiple developments in the sector including the Security Constraints Economic Despatch (SCED), DSM & Ancillary services, GNA & Connectivity Regulations etc.

IEGC also provides for the roles, functions, and responsibilities of the concerned stakeholders connected with the operation of the power system as per the Act, Rules and Notifications issued by the Central Government. All these will help in achieving maximum efficiency of the power system, it also specifies extensive provisions pertaining to:

a). Reliability and adequacy of resources.

b). Technical and design criteria for connectivity to the grid including integration of new elements, trial operation and declaration of commercial operation of generating stations and inter-state transmission systems.

c). Protection setting and performance monitoring of the protection systems including protection audit.

d). Operational requirements and technical capabilities for secure and reliable grid operation including load generation balance, outage planning and system operation.

e). Unit commitment, scheduling and despatch criteria for physical delivery of electricity.

f). Integration of renewables.

g). Ancillary services and reserves.

h). Cyber security etc.

Regulatory Developments in Exchange Market

From time to time, regulator has come out with several regulatory changes, making the power exchange market more vibrant. Recently with the sudden increase in electricity demand, the exchange market price saw a sharp increase in prices. To balance the interests of developers and the consumers, a price ceiling of Rs. 12 per unit was introduced. Further, to assure supply availability from sources where cost of generation is more than the specified limit of Rs. 12 per unit, a separate market product has been introduced as “High Price Day Ahead Market” (HP-DAM).

Overall, the Indian power exchange market has come a long way over the past decade. Exchange which had power trade segments only up to 11 days now have been allowed a segment with longer duration contracts of up to 12 months. This will provide, incremental trading volumes enabling opportunities for both sellers as well as buyers.

Our Business

Committed towards the region's energy security!

SEIL Energy India Limited - SEIL - (Formerly Sembcorp Energy India Limited) is a leading independent power producer (IPP) committed to India's energy security.

The company has a successful track record of developing and operating thermal power generation assets in the country. It has a 2.64GW supercritical thermal power generation complex in SPSR Nellore district, Andhra Pradesh, India.

SEIL owns and operates four 660MW supercritical thermal power generation assets to provide reliable and essential electricity to consumers across the sub-continent. Led by its strong leadership team, SEIL is a committed and long-term partner in the region's progress.

SEIL partners with the government and industry to support India's energy security, urbanisation, and developmental goals. To ensure high performance and reliability, SEIL maintains high standards of behaviour, integrity, and governance.

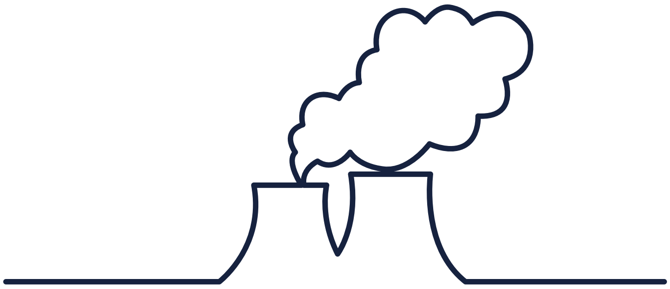
With its efficient and reliable power generation, SEIL is well-positioned to offer a viable and best-in-class energy supply to meet the country's need for reliable and sustainable power.

2.64GW

Supercritical thermal power generation complex

4 x 660MW

Supercritical thermal power generation units



Evaluating performance

Smart and efficient operations for sustainable and reliable power generation

Our pursuit of operational excellence combines efficient fuel-sourcing techniques, a customer-centric approach, and reliability. SEIL's operations maintained an average Plant Load Factor (PLF) of 73.51% complexly while producing PAT - positive results.

Among Indian Independent Power Producers, SEIL continues to be one of the most dependable power providers with a complex basis annual availability of 91.48%.

We developed an extensive integrated sheet to facilitate collaborative working between the coal and operations teams. Our goal was to increase the Dark Spread optimally, considering various operational and commercial constraints.

We provided valuable support in power sales by assisting in the determination of tariffs for both long-term (LT) and short-term (ST) Power Purchase Agreements (PPAs). This involved careful consideration of the market situation and coal risks.

In the year CY 22, we successfully achieved the budgeted Dark Spread through efficient planning and optimization, while also taking into consideration operating constraints.

Effective cross-functional team coordination was established within the commercial department, fostering collaboration between the Power Sales, Coal, Finance, Risk, and Operations teams. This synergy allowed us to achieve our set goals and targets.

We are proud to announce the signing of a 200 MW PPA with PTC for supply to BPDB. This agreement has received approval from the designated authority, and we commenced supply on 27th March 22.

Furthermore, we have obtained tariff adoption approval in AP625 long - term PPA, and supply commenced on 1st Feb'23.

Our efforts have resulted in achieving a domestic coal materialisation rate of 97%, demonstrating our commitment to reliable and efficient operations.

To enhance our logistical capabilities and reduce dependency on the Paradip Port terminal, we have successfully established a new logistic route through the JSW terminal. This strategic move has bolstered our coal supply chain.

By sourcing off-spec coal, we have achieved significant value savings, amounting to 27% of the imported volume. We have effectively managed coal inventory levels, ensuring operational continuity and stability.

5S Journey

5S is a systematic way of organising workplaces by eliminating waste, improving flow, and reducing the number of processes where possible.

In Aug 2021, SEIL Management decided to implement the 5S Workplace Management concept to make the workplace safe and efficient in the long run.

SEIL tied up with Quality Circle Forum of India, the pioneer NGO for the introduction, training, handholding and conceptualisation of 5S. After several stages of the continuous process including Zone Wise formations, Steering Committee and Facilitation Committee formations, Self-Audits, Documentations and Management Audits, the 5S Concept was well adopted in the Organisation with the active involvement of one and all.

During October 2022, the QCFI conducted Final Certification Audit and awarded 5S Certification to SEIL with the scores eligible for applying for 5S Certification from the Union of Japanese Scientists and Engineers (JUSE). In November 2023, SEIL was awarded 5S Certification by JUSE during the National Convention of Quality Circles held at Aurangabad.

Implementation of 5S at SEIL paved the way for the establishment of overall cultural change and discipline up to grass root level. SEIL is committed to sustaining the 5S standards in improving the said objectives by making Kaizens.

Overhauling of Power Assets

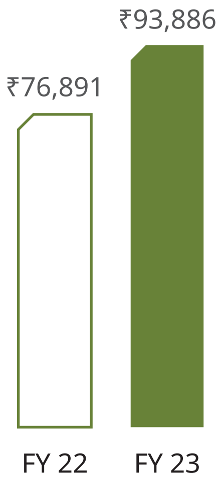
Our state-of-the-art, reliable power assets meet customer needs while adhering to complete safety and environmental regulations. Our plants are based on supercritical power generation technology, which makes them operate at lower emission levels compared to subcritical power plants. We execute periodic maintenance (overhauls) on plant equipment as required to check the equipment's functioning and ensure its long-term operation until the next maintenance cycle.

The annual overhaul for Project-1 - Unit 2 was carried out safely. To achieve this, it was planned to ensure strict compliance and implementation of safety systems during AOH work. For smooth execution and safe completion, the following was planned and implemented:

- Seamless IR verification, pre-employment medical test and safety induction training for all. Internal pre-employment medical examination and safety induction training were organised round the clock. A total of 1425 new associates were inducted.
- The capital overhaul at Project-2 - Unit 2 was carried out safely. To achieve this, a "Shutdown Safety Action Plan" was prepared to ensure the Implementation of SEIL Safety Systems during COH work.
- Smooth mobilisation plan was prepared for IR Verification, Pre-Employment Medical Test by OHC and Safety Induction Training. All associates underwent internal Pre-Employment Medical Examination and Safety Induction Training was conducted around the clock. A total of 1277 associates were inducted.

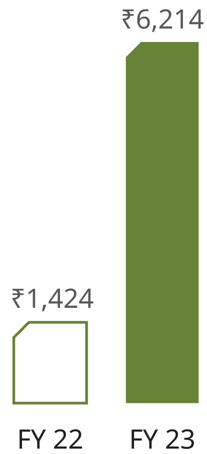
Financial indicators

Turnover



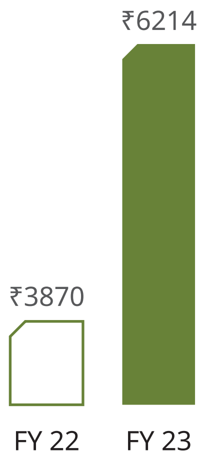
EBITDA

Net profit

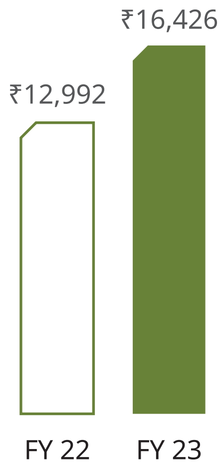


ROCE

Net profit*



ROCE*



Awards and Recognition

SEIL was awarded for the
Successful implementation of the Five-S (5S) workplace management system,
by QCFI (Quality Circle Forum of India) & JUSE (Union of Japanese Scientists and Engineers).

SEIL has been conferred the winner Award in Platinum Category for **"Long Term Planned Intervention for Safety Culture Transformation Award for Corporate",**
by DGFASLI and Be Safe Forum of India.

SEIL also bagged
Frost & Sullivan teri Sustainability 4.0 Awards 2022- "Challengers Award 1st Runner- up for Mega Large Business, Service Sector"

Steadfastly Forging a Resilient Tomorrow

We are fully committed to prioritising sustainability and aligning ourselves with Environmental, Social, and Governance (ESG) principles. Our primary focus is on accelerating value creation while meeting the growing electricity demand reliably and sustainably. This commitment not only benefits our organisation but also contributes to the well-being of the broader regional ecosystem and the community.

To ensure the highest standards of business conduct, we adhere to rigorous and responsible practices. Our commitment to compliance extends to maintaining comprehensive reporting standards within our organization and actively engaging with our stakeholders.

We recognise the importance of giving back to society and promoting prosperity and safety within our sphere of influence. It is our responsibility to contribute to a low-carbon and circular economy, empowering our people and communities. We achieve this through effective governance that embeds responsible business practices throughout our organisation. Transparency is a fundamental principle guiding all our actions and decisions regarding ESG matters.

Through our unwavering dedication and strong ethical values, we aspire to build a reputable brand that consistently generates enduring value for our stakeholders and fosters strong relationships based on trust and mutual benefit.

Environment

Fostering a culture of eco-sensitivity

As a responsible entity, we remain committed to the environment and sustainability, and our initiatives reflect that devotion.

Decarbonisation

Sustainability is one of the key pillars of our business strategy that backs our value-creation process. We strive to foster a low-carbon and circular economy, empowering our people and communities, and ensuring responsible business practices that are ingrained throughout our organisation. Our commitment is to enable a more sustainable future through these endeavours.

These goals in turn support the UN Sustainable Development Goals (SDGs).

In line with our strategic focus as a provider of sustainable solutions, we have adopted SDG 7 (Affordable and Clean Energy), and SDG 13 (Climate Action) as our priority SDGs. Through these adoptions, we intend to sustain a meaningful commitment by executing several environment-friendly technologies such as energy optimisation projects, and decarbonisation projects.

SEIL's Thermal Power Plants are

ISO 9001:2015
ISO 14001:2015
ISO-45001:2018 certified

SEIL explored all potential possibilities and options of environmentally sustainable technologies and infused them in a phase-wise manner to reduce GHG emissions.

- We increased Horticulture and Plantation.
- Energy Management System (EMS) that is implemented for auxiliary consumption optimisation in Plant 1.
- An Online GHG monitoring tool has been implemented for real-time monitoring and optimisation in both of our plants.

Water Management

We capitalise on seawater in place of groundwater, as it saves our valuable resources. Our plant's cooling system makes use of the seawater from the Bay of Bengal which is also the primary source to generate DM & service water for plant operation.

After treatment, the system's wastewater is reused for green belt development

1,98,80,575 m3
Total water consumption of SEIL P1(FY22:23)

1,25,03,200 m3
Total water consumption of SEIL P2(FY22-23)

Daily, system-wise water consumption is monitored, through which high-usage systems are identified and analysed for further optimisation. We have identified system-wide benchmarks and have kept track of the consumption.

Flowmeters are installed in the water intake and discharge lines to keep track of the water used and discharged. Before discharging the water into the sea, its quality is monitored and controlled as per Consent For Operations (CFO) standards. We monitor multiple parameters such as pH, Total Suspended Solids (TSS), Oil & Grease, Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), and inlet and outlet temperature.

We have formed a water-monitoring group to execute a system-wise water audit regularly to conserve water. Low sea water intake flow might pose a challenge to the plant's efficient functioning. And thus, the intake line is being monitored daily through periodic inspections and the active adversities would be resolved on priority.

Environment & Decarbonisation

For Environmental sustainability, we have done 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.

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

On special occasions such as World Water Day, International Day of Forests, World Earth Day, and National Pollution Control Day among others, we have published mailers to sensitise stakeholders. We also held an environmental mock drill on chemical spillage to check the speed of response. We encourage our employees to adopt individual sustainable practices.

1.1M
Saplings planted till date

800+
acres Afforested area at SEIL

Environment Sustainability

Creating Green Cover

To uphold environmental sustainability, SEIL Energy India Limited has been nurturing green cover by planting saplings and curating a dense green belt in and around its area of operations. About 1.1 million saplings of 60 different species have been planted on about 800 acres of land. The chosen plants were preferred based on eco-suitability and sustainability, considering their positive impact on the environment.

In-house nurseries have been established at both plants (P1 and P2) to support this initiative and the production started by establishing a mist chamber. To eliminate the use of harmful pesticides, we initiated in-house fertiliser production through organic methods. We adopted the use of leaf manure and successfully generated organic biopesticides as a safer alternative. For a better survival rate of plants, the company implemented various methods including Miyawaki, Israel technology, the Palekar method of natural farming, and Japanese technology for constant moisture among others. As a result, a 90% survival rate was achieved.

Project 'Harit'

Plantation of avenue saplings under Project Harit was undertaken in AP Residential Schools, Government High Schools, Government Degree Colleges and other Government lands. The locations were picked based on the availability of boundary walls, provision for water and willingness of the respective managements to care for and nurture the plants. The Soil prepping actions like removal of bushes, soil levelling and making of pits, additional fertile soil, coco peat, fertilisers and saplings were planted at each location. Hydrating the plants was ensured through the drip method.

16,635
Saplings Planted

40 Acres
of land covered in and around 8 locations

Diverse Saplings planted including Asoka tree, Banyan, Peepal, Arjun, Devil Tree, Bel, Bamboo, Kari Patta, Neem, Jamun.

Anganwadi - Solar Rooftops

Affordable and Clean Energy

To promote Solar Energy usage in the communities as part of environmental sustainability, 1 KW Rooftop Solar panels were installed in 8 Anganwadi centres to provide Electricity, thus the concept of clean energy. Solar energy also helped the Anganwadi centres to save on electricity costs. Together these Anganwadi centres are serving 450 Children and 120 Women respectively.

1KW
Roof Top Solar Power Project

8 Anganwadi
Centers covered

Social

People and Community

We empower our employees and the communities we engage with to enhance their quality of life, unlock their maximum capabilities and actively contribute to comprehensive advancement. Through our technological endeavours, we actively pursue positive impact and aspire to be agents of change in our surroundings. Our initiatives align with and draw inspiration from the United Nations Sustainable Development Goals (UN SDGs)


FREE HEALTH CA

Uplift our People's Strengths and Facilitate their Growth

We recognise 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 the sustainability of our business by delivering on our business strategy and goals. We recognise that Human Resources play a pivotal role in enabling the smooth implementation of key strategic decisions through Employee Development, Employee Engagement, Compensation & Benefits, and Employee Wellness.

Our company is committed to equipping 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
- Online performance management system with continuous feedback process
- Digitised Learning management system

Organisation structure changes and efforts to induct/develop key skills to ensure productivity & to promote effectiveness in achieving business goals continued to be our focus. 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, and Digitalization & Analytics Capability for monitoring Asset Performance and 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. Various engagement initiatives involving employees and families were rolled out. Several initiatives were also undertaken to ensure that care and support are given to employees through policies which help improve the quality of life for employees.

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

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

A range of workshops and training programs focused on nutrition, stress management, and resilience, were held to build employee capability and to support employees' physical & mental well-being.

Health and Safety

Nurturing a safe and secure culture

Our employees' Health, Safety and General Well-being remain our core value. We continue to nurture and promote a strong culture of HSE across our operating areas. We embarked on a Behaviour Based Safety (BBS), journey towards Zero Harm in 2018. The hot spots identified through BBS were contributing 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 various forums across India. Along the way, we have also been recognised with five corporate awards in as many years.

Focus on Sustainability

We are committed to protecting our employees' health & safety and to responsibly managing our social impacts, 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 recognise that the front line is always closest to hazards and, as a result, must be protected by ensuring 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.

Zero Harm Goal

SEIL has embraced 'Zero Harm' as its long-term 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 and preventive actions within the timeline, share and implement what we have learned and focus on constantly improving our work practices. We also learn from peer industries and the world.

Monitoring our Safety Practices

Through proactive HSE initiatives and interventions, we are committed to keeping our employees and associates safe. We encourage reporting of learning events, including near misses. We have achieved zero loss time incidents during the year.

7.44 Million

Safe Manhours achieved as on March 31, 2023

34,473

Training Manhours as on March 31, 2023

Implementing of Best HSE Practices

We recognise that excellence in Health, Safety and Environment is an ongoing journey and we remain committed to implementing best practices around the world, complying with the national and international HSE standards which can make a difference.

During the year under review, our HSE system has been strengthened and HSE activities are being digitalised into the HSE tool in phases. The implementation of 5S methodologies at SEIL is a major milestone. We are also working on enforcing the Consequence Management System after 5 years moratorium.

We trained our Fire Crew and Security Command & Rescue Centre Personnel about our Safety Systems and are collaborating with them to enhance field safety monitoring. We are always working on improving safety communications and making them effective. 02 nos. Digital Display Standees have been placed in Service Building and Canteen for displaying HSE Visual Communications at both plants.

Monthly Safety Drives

Every month SEIL organises Mass Toolbox Talk, where one senior management leader declares the HSE Theme of the Month and addresses the gathering of Employees and Associates. Every day the Safety Department sends Daily HSE Mailers based on the Monthly HSE Theme to raise awareness. We also conduct a Monthly HSE Video Quiz for our employees to raise their awareness level as Audio Visual brings greater learnings.

We hold Skip-Level Safety Townhall for our employees and associates separately. Our CEO and Head-O&M interact with the frontline and encourages them to strive for the next level of safety. We conduct Fire & Rescue mock drills every month at each plant and half-yearly emergency mock drills were also conducted on cyclones and fire scenarios.

Prevention of Sexual Harassment of Women at the Workplace

Our 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, have the right to be treated with dignity. Sexual harassment at the workplace or other than the 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 as per 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.

CSR Initiatives

Empowering Communities for a Sustainable Future

We are committed to care for our communities and operate sustainably as a responsible independent power producer at our supercritical power plants. 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 our activities with the MCA Rules and United Nations Sustainable Development Goals(UN SDGs), SEIL's CSR initiatives are gradually making a long-term difference. We believe that our employees drive us to play a role in creating a more sustainable future.

Our CSR initiatives are intended and implemented to have a positive impact on the communities. We are working on a variety of community development projects, to help people and contribute to their long-term progress whilst protecting the environment.

INR **92** Million
CSR Budget

59,002
Beneficiaries Covered

SDG Goals

Covered

Goal 3 – Good Health and wellbeing
Goal 4 – Quality Education
Goal 5 – Gender Equality
Goal 6 – Clean Water and Sanitation
Goal 7 – Affordable and Clean Energy
Goal 8 – Decent Work and Economic Growth
Goal 15 – Life on Land

Healthcare

Goal 3

Good Health and Wellbeing

We ensure healthy lives and promote wellbeing for all age-cohorts.

Telemedicine Center

Telemedicine Center has been established to provide services like medical consultation, laboratory services and medicines to the community at no cost. The centre is also equipped with tele-consultation service, connecting with specialist Doctors from Chennai, Bangalore, Hyderabad, etc.

Vision Screening

To enhance eye vision, eye screening camps were organised in surrounding communities and schools. After diagnosis, needy people were provided with spectacles and complicated cases were referred to specialist hospitals for further treatment. To help meet this challenge, SEIL has partnered with a reputed eye institute for eye screening in schools and community.

Eyes Screened - 9500 Beneficiaries

Spectacles Distributed – 2800 Beneficiaries

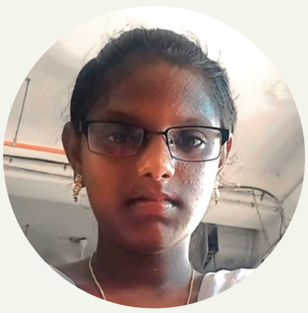
Endorsements

Baby Talaari Medha
Student of Zilla Parishad Primary School, Dammaipalem

School Children suffering from visual impairment due to ignorance.

I am a student of 10th Class and I felt very happy because of getting a new pair of spectacles at the right time since we were about to write the board examination. For the past two years, I was having blurred vision and never thought of getting my eyesight checked.

In October, 2022, Eye Screening programme was organised at our School. I was diagnosed with eyesight difficulty and corrective spectacles were recommended for me. I was aware of problem with my eyes but was reluctant to ask anyone. I realised that there were many girls like me who had eye problems but were reluctant to ask. After 15 days, I was provided with spectacles. I could see the blackboard clearly. In our school, total 20 students had eyesight problems and all were provided spectacles. We are thankful to SEIL for its support.



Neharika
Student of BR Ambedkar Gurukulam Pathasaala

Every student should get his vision checked.

I am Neharika studying in 10th class in B R Ambedkar Gurukulam Pathasaala. I attended the eye screening program in our school. In this programme, I was diagnosed with eyesight problem. I was provided free spectacles after 15 days. This really transformed my life. I started seeing everything clearly and was able to perform my daily chores and academic assignments well. Like me, all the girls who got spectacles felt the difference. After I got my spectacles, I used to refer students to check their vision once, to know if their eyesight was normal or not. Many thanks to SEIL for helping us.

Endorsements

Prasanna

Zoology Lecturer and NSS Programme Officer
at DKW College for Women, Nellore.

Girl students were supported for pursuing academics productively through vision screening.

I am Ms Prasana, Zoology Lecturer and NSS Programme Officer at DKW College for Women, Nellore.

SEIL facilitated eye screening programme for the students in November and December of 2022. A total of 350 students were screened and 104 students were having refractive error issues. The students with refractive error were provided with free spectacles. 18 students were identified with other eye problems and were referred to specialist hospital for further treatment.

We are thankful to SEIL for conducting such an important and needy programme and helping the students to perform well in their academics.

Gouse Basha

Resident of Mamidipudi Village Panchayat

Provided sight to people with vision difficulties.

Mr. Gouse Basha, cheerfully stated that 69 people benefitted through vision correction and received the best quality spectacles through the community eye screening programme organised in July, 2022 with support of SEIL. The programme also identified 18 senior citizens with cataracts and other eye problems. They were referred for further treatment to specialist hospital.

The people are so happy they can see with clarity and perform all their activities with more efficiency. Overall, the entire village is so thankful for creating awareness and treatment of the eyes.

Mobile Medical Unit (MMU) Services

Our MMU provides services towards primary healthcare to all community members. We facilitate access by identifying medical needs and setting up camps accordingly in the villages. Free consultation and medicines are provided to the needy people.

Emergency Ambulance Services

As part of community health services in times of emergency, ambulance services were provided to shift the patients from surrounding communities to the nearest hospitals. In FY 2022-23, ambulance services were provided in 108 health emergency cases related to Labour pains, Snake bites, Burns, Road accidents and other medical emergencies.

3 GOOD HEALTH AND WELL-BEING

53 - Dental Camps organised

2676 - Cases Screened and

3 - Critical Patients referred

22 - Gynaecology Camps organised and

1383 - Women benefitted

Audiometry

The Audiometry screening covered the people in the villages of TP Gudur and Muthukuru Mandals. The project focussed on the leading reasons for hearing impairment and provided hearing aids to needy people.

5176 people were screened for hearing and

395 persons were identified with sensorineural hearing loss. Perforation in ears were also observed due to multiple reasons like the use of match sticks, earbuds, during child birth process to mothers. Grit in ear was also observed due to swimming in dirty water which resulted in hearing loss.

260 hearing aids were provided

Drinking Water and Sanitation

Goal 6

Clean Water and Sanitation

9 RO Water Plants
Renovated & Upgraded

3000
Families covered

Education

SDG Goal 4

Quality Education

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

Preventing School Dropouts

We provided conveyance to the government school students in our communities to prevent dropouts focussing on the importance of girl child education. We also assisted students giving board examinations from the surrounding communities.

- **240** school children were provided conveyance
- **1926** students of **36 High Schools** were provided with evening snacks, for 10th class exam preparation for 46 days, which helped the students in getting better scores.

Encouraging Competitive Spirit Among Students

We have organised essay writing, drawing and elocution competitions to engage students on topics related to Environmental Sustainability in 6 Schools. The students also participated in beach cleaning activity as part of environment awareness.

Career Counselling

Students of 7 Government Schools were provided training in career counselling sessions, soft skills, preparation for entrance exams, and resume building.

495 Students Trained

7 Government Schools covered

School Infrastructure

We initiated and completed toilet renovation & repair work for Government Schools in surrounding villages.

7 Government Schools covered


4 QUALITY EDUCATION

Skill And Entrepreneurship Development

SDG Goal 5
Gender Equality

SDG Goal 8
Decent Work and Economic Growth

5 GENDER EQUALITY

SEIL has organised various skill and entrepreneurship development programmes for women and youth, to empower them and transform them into potential entrepreneurs. Over the years, SEIL Entrepreneurship Development Centre has imparted training in Tailoring, Maggam work and Beautician courses. These have enabled community members, particularly women, to be self-sufficient and contribute to the area's overall development.

Training for Women

We provided training to women for income generation in tailoring, advanced tailoring, maggam and bag making.

217 Women Trained & Benefitted

Skill Training for Youth

88 youths were trained for employability and self enterprise developments in trades such as fly ash bricks and data entry operator.

Clean Energy

SDG Goal 7
Affordable and Clean Energy

To promote solar energy usage in the communities as part of environmental sustainability. One KW Rooftop Solar panels were installed at 8 Anganwadi centres to provide affordable electricity, thus reinforcing the concept of adopting clean energy. Solar energy also helped the Anganwadi centres to save on the electricity cost, which benefitted 450 children and 120 women attending the centre.

- **1KW Rooftop Solar Power Project**
- **8 Anganwadi Centers covered**

Environment Sustainability

SDG Goal 15
Life on Land

Project – 'Harit'

Plantation of avenue saplings under Project Harit was undertaken at AP Residential Schools, Government High Schools, Government Degree Colleges and other Government lands. The locations were picked based on the availability of boundary walls, provision for water and willingness of the respective managements to care for and nurture the plants. The Soil preparation actions like removal of bushes, soil levelling and making of pits, adding of cocopeat & fertilisers was done before plantation of saplings at all the locations. Hydration of the plants was ensured through the drip lines.

16,635
Saplings Planted

40 Acres
of land covered in and around 8 locations

Diverse Saplings planted Like

Ashoka tree, Banyan, Peepal, Arjun, Devil Tree, Bel, Bamboo, Kari Patta, Neem, Jam, etc.

Governance

Upholding a Transparent Approach in Business

At SEIL Energy India Limited, we have designed our corporate governance structure to 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.

Corporate Governance

SEIL 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 Mitigation 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 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.

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 approve any deviation to risk management policies or any breach of risk limits.

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. Risk function acts as the second line of defence. Auditors act as the third line of defence.

Code of Conduct and Ethics Training

All our employees and governance body members follow and conform 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

14% 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, 2023, the Company's Board of Directors consists of seven members, with one Executive Director and six Non-Executive Directors (NEDs). One NED is women.

The Board comprises of 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 conducting business with integrity and with the highest ethical standards and adopted an 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 value to/from any customer, business partner, vendor, government official or government entity 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 Whistle Blow Committee when investigating a reported issue and taking follow-up action. The Whistle Blow Committee shall report all the cases to the Audit Committee for their consideration on a quarterly basis.

Statutory Reports

To

The Members
SEIL ENERGY INDIA LIMITED
(Formerly known as Sembcorp Energy India Limited)

Your directors take pleasure in presenting the Fifteenth Annual Report together with Audited Financial Statements of your Company for the year ended March 31, 2023.

FINANCIAL RESULTS

(₹ in Millions)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	93,886	76,891	93,886	76,891
Other Income	4,227	1,422	4,227	1,421
Total Revenue	**98,113**	**78,313**	**98,113**	**78,312**
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	**22,367**	**22,130**	**22,367**	**22,130**
Less: Depreciation/ Amortisation/ Impairment	5,941	6,692	5,941	6,692
Profit /loss before Finance Costs, Exceptional items and Tax Expense	**16,427**	**15,438**	**16,427**	**15,438**
Less: Finance Costs	7,956	10,893	7,956	10,893
Profit /loss before Exceptional items and Tax Expense	**8,471**	**4,545**	**8,471**	**4,545**
Add/(less): Exceptional items	-	**2,446**	-	-
Profit /loss before Tax (from Continuing Operation)	**8,471**	**2,099**	**8,471**	**4,545**
Less: Tax Expense (Current & Deferred)	2,257	675	2,257	675
Profit /loss for the year	**6,214**	**1,424**	**6,214**	**3,870**
Discontinued Operation				
Profit/(loss) from discontinued operation before tax	-	-	-	**2,735**
Gain on disposal of discontinued operation	-	-	-	**21,380**
Tax expense of discontinued operation	-	-	-	**637**
Profit/Loss from discontinued operation	-	-	-	**23,477**
Profit/Loss for the year	**6,214**	**1,424**	**6,214**	**27,347**
Other Comprehensive Income/loss	**(120)**	**142**	**(120)**	**146**
Total Comprehensive Income/loss	**6,094**	**1,566**	**6,094**	**27,493**
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

Standalone

On Standalone basis, total revenue of the Company during the Financial year 2022-23 increased by 25% to ₹ 98,113 million against ₹ 78,313 million in the previous year. The Standalone Profit after Tax for the Financial year 2022-23 increased by 336% to ₹ 6,214 million against ₹ 1,424 million in the previous year.

Consolidated

On a Consolidated basis, total income of the Company during the Financial year 2022-23 increased by 25% to ₹ 98,113 million against ₹ 78,313 million in the previous year. The Consolidated Profit after Tax for the Financial Year 2022-23 increased by 60% to ₹ 6,214 million against ₹ 3, 870 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 2022-23.

Dividend

Your Company has declared interim dividend @ 9.80% i.e INR 0.98 per equity shares aggregating to INR 5,324.99 million out of the profits of the Company for the period ended March 31, 2023.

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 2022-23.

Transfer to Reserves

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

SUBSIDIARIES / JOINT VENTURES/ ASSOCIATES

Holding Company

As on March 31, 2023, the Company is a wholly owned subsidiary of Tanweer Infrastructure SAOC, Oman (Tanweer Infra).

During the year under review, Sembcorp Utilities Pte Ltd., Singapore, the Holding Company, had entered into a share purchase agreement, as amended and restated on October 13, 2022 to sell 100% of the shares of the Company to Tanweer Infrastructure SAOC.

Pursuant to the SPA executed between Sembcorp Utilities Pte Ltd and Tanweer Infrastructure SAOC, the legal and beneficial ownership of the 5433,668,484 equity shares of Rs. 10 each and beneficial ownership of 90 Equity Shares of Rs. 10 each was transferred to Tanweer Infrastructure SAOC (100% of the issued share capital of the Company) on January 19, 2023. Accordingly, Sembcorp Utilities ceased to be holding company of the Company with effect from January 19, 2023 and now the company is wholly owned subsidiary of Tanweer Infra.

Subsidiaries / Joint Ventures/ Associates

TPCIL Singapore Pte Ltd was the only subsidiary of the Company as at March 31, 2023. Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 ("Act"), 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.

Your Company do not have investment in any Associate / Joint Venture Company as on March 31, 2023.

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. However, owing to change in the ownership of the Company, and appointment of same auditors by the new promoters for all their group entities and for group reporting, they have submitted their resignation as Auditor of the Company.

Subject to the approval of the members of the Company, the Audit Committee and the Board of Directors have considered and recommended the appointment of M/s Deloitte Haskins & Sells, Chartered Accountants (Firm Registration Number: 008072S) as the Statutory Auditors of the Company, to hold office from the conclusion of the 15th Annual General Meeting until the conclusion of the 20th Annual General Meeting of the Company to be held in year 2028 and also accepted the resignation letter submitted by M/s Price Waterhouse Chartered Accountants, Statutory auditor of the Company.

M/s Deloitte Haskins & Sells Chartered Accountants(Firm Registration Number: 008072S) have given their consent for the proposed appointment as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting of the members of the Company. They have further confirmed that the said appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies act, 2013 and that they are not disqualified for appointment.

The Auditor's Reports on the Standalone and the Consolidated Financial Statements for the financial year ended March 31, 2023, 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 2022-23 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, 2023, 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 2023-24 and your Board seek your approval for ratification of the remuneration proposed to be paid to the Cost Auditors.

Secretarial Auditor

In terms of provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company have appointed M/s Vinod Kothari & Company,

Company Secretaries as the Secretarial Auditor of the Company to conduct Secretarial Audit of records and documents of the Company for the financial year 2022-23.

Secretarial Audit Report for the financial year 2022-23 dated 13-07-2023 is annexed to the Directors' Report as **Annexure- 2**. The Secretarial 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

Mr. Cyrus Erach Cooper is liable to retire by rotation as Director at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Brief details of the Directors proposed to be re-appointed is provided in the explanatory statement, attached to the Notice of the Annual General Meeting.

As per the provisions of the Act, the Independent Directors are not liable to retire by rotation.

Changes in the Directors

Pursuant to the change in ownership of the Company the composition of the Board of Directors has been changed during the year as given below:

S. No.	Name of the Director	DIN	Designation	Changes	Date of Resignation/ Appointment
1	Ms. Looi Lee Hwa	08058201	Director	Resigned	November 30, 2022
2	Mr. Wong Kim Yin	08806258	Chairman	Resigned	January 20, 2023
3	Mr. Vipul Tuli	07350892	Managing Director	Resigned	January 18, 2023
4	Mr. Eugene Chee Mun Zheng Zhiwen Cheng	09156438	Director	Resigned	January 20, 2023
5	Mr. Cyrus Erach Cooper	00203491	Director	Appointed	January 20, 2023
6	Mr. Raghav Trivedi	03485063	Whole Time Director and CEO	Appointed	January 20, 2023
7	Mr. Tareq Mohamed Sultan Al Mugheiry	10040158	Director	Appointed	March 02, 2023
8	Mr. Hamad Mohammad Hamood Al Waheibi	10041125	Director	Appointed	March 02, 2023

The members of the Company had approved the aforesaid appointments at the Extra Ordinary General Meeting held on January 20, 2023 and March 10, 2023.

The Board placed on record its deep sense of appreciation and gratitude for the leadership and invaluable contribution made by Mr. Wong Kim Yin, Mr. Vipul Tuli, Mr. Eugene Chee Mun Zheng Zhiwen Cheng and Ms. Looi Lee Hwa during their tenure as a Director 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. They were appointed as Independent Directors of the Company for a term of 5 years with effect from February 02, 2018. Since their tenure as Independent Directors expired on February 01, 2023, therefore, they were reappointed for a second term of 5 (five) consecutive years commencing from February 02, 2023 till February 01, 2028.

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.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfil the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

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 changes took place in the Key Managerial Personnel of the Company during the year owing to the change in ownership of the Company:

i. Mr. Vipul Tuli stepped down as Director and Managing Director of the Company with effect from January 18, 2023.

ii. Mr. Raghav Trivedi was appointed as the Whole Time Director & Chief Executive Officer of the Company and Key Managerial Person from January 20, 2023.

iii. Mr. Juvenil Ashwinkumar Jani stepped down from the position of the Chief Financial Officer with effect from December 31, 2022 and Mr. Ajay Bagri was appointed in his place as the Chief Financial Officer with effect from January 20, 2023.

iv. Mr. Narendra Ande stepped down from the position of the Company Secretary with effect from February 28, 2023 and Mr. Rajeev Ranjan was appointed in his place as the Company Secretary with effect from March 01, 2023.

The following members are treated as Key Managerial Personnel as per the definition under Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as on date.

- Mr. Raghav Trivedi, Whole Time Director & Chief Executive Officer
- Mr. Ajay Bagri, Chief Financial Officer
- Mr. Rajeev Ranjan, 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 www.seilenergy.com

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, 2023, 12 (Twelve) meetings of the Board of Directors were held on the following dates on April 25-26 2022, May 26, 2022, August 3, 2022, August 29, 2022, November 10, 2022, November 24, 2022, November 29, 2022, January 20, 2023, February 9, 2023, March 2, 2023, March 9, 2023 and March 15, 2023.

COMMITTEES:

Pursuant to the change in ownership of the Company and due to changes in the existing Board of Directors, the existing Committees of the Board were reconstituted with effect from March 15, 2023.

Audit Committee

The Audit Committee of the Company as on March 31, 2023 consists of four Directors with Mr. R. S. Sharma, Chairman and Mr. K. Jairaj, Ms. Sangeeta Talwar and Mr. Cyrus Erach Cooper 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, 2023.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company as on March 31, 2023 comprises of five Directors with Ms. Sangeeta Talwar, Chairperson, Mr. R. S. Sharma, Mr. K. Jairaj, Mr. Tareq Mohamed Sultan Al Mugheiry and Mr. Hamad Mohammad Hamood Al Waheibi 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 as on March 31, 2023 comprises 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. Tareq Mohamed Sultan Al Mugheiry. Details of the meeting held during the year are given in the Corporate Governance report.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company as on March 31, 2023 comprises of three Directors with Independent Director as Chairman. The members of the Committee include Mr. K. Jairaj, Mr. R. S. Sharma and Mr. Cyrus Erach Cooper.

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 2022-23 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 09, 2023.

Directors Responsibility Statement

Pursuant to Section 134(3)(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 the Health, Safety, & Environment is vital for its operations and a core value.

Your Company is aware that frontline is always nearest to Hazards but has very little influence on Barriers. It is duty of Line Management to ensure robust barriers and to maintain the integrity of such barriers for Zero Harm. Further, your Company believes that it is critical to protect the health and safety of those involved in its operations. Your company is committed to run its operations in sustainable and environment friendly manner. Your Company is focused in taking up proactive HSE initiatives and interventions. To strengthen safety performance, your Company ensures that all hazards and risks are identified, control measures are implemented to reduce risks to as low as practically possible, analyse all learning events, implement learnings from learning events and from Peer Industries, take corrective & preventive actions in time bound manner and bring continual improvements in work practices.

You company reported 03 First Aid cases and 01 Medical Treatment case in 2022 and achieved 7.44 million safe man-hours, conducted 35,400 training man hours.

During the year 2022-23 following Occupational Health & Safety initiatives have been implemented by the Company:

- As per SEIL Safety Charter, Thermal MC Member guides the Safety Team in selecting and in propagating Monthly Safety Theme.
- Skip Level Town Hall Meeting was conducted by BU Head and Head –O&M with Associates.
- HSE Awareness Programmes and promotional were organised on the occasion of, National Road Safety Week, National Safety Week, World Environment Day, and National Fire Service Week.
- The Annual and Capital Overhauls were safely planned and executed safely.
- Onsite Certification Training by External Faculty was organised for Scaffolding Erectors & Lifting and Rigging Certification Training was organised for SEIL Employees and Associates by External Faculty.
- Lifting equipment's operators training conducted for SEIL Employees and Associates by External Faculty to further strengthen Safety.
- SEIL Bagged Frost & Sullivan and TERI Sustainability 4.0 Runner-Up Award 2022 in Mega Industry Category.
- SEIL got certified for Five-S Workplace Management System Implementation by QCFI & JUSE in Nov'2022.
- "SURAKSHA BANDHAN" with Frontline was organized at AMC locations to demonstrate emotional contact and build Psychological Safety. HODs, Line Managers, Engineers and all associates participated.
- Your company is working to strengthen processes to achieve Zero Harm.
- 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

Your company has best management processes and is committed to the environment and sustainability. Regular Audit is undertaken of robust governance practices. Your Company's operations are guided by the principles for impactful outcomes, which include shared obligation, continual improvement, openness, accountability, and 100% regulatory compliance.

Your Company thermal power assets are located on the east coast of southern India at Nellore and are designed in 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 use 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 5,25,731 saplings at SEIL P-1 and 5,06,875 saplings at SEIL P-2. Thus, a total of 10,32,606 saplings have been planted of 59 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 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 in respect of Stations Heat Rate and Auxiliary Consumption.
- Your company has also taken steps for developing Green Belt at nearby Schools, Communities and is 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 351 acres at SEIL P2 afforestation.
- Hazardous Waste Disposal is being done to APPCB authorized vendors through APEMC web portal.
- Monthly HSE Theme opted during the month of June'2022 corresponded to theme of World Environment Day i.e., "Living Sustainably in Harmony with Nature".
- Awareness sessions have been conducted on Environment Legal Requirements and on theme of World Environment Day to encourage employees and associate partners.
- Cotton bags were distributed to all employees to sensitize them to use reusable cloth bags for shopping and avoid single use plastic.
- Environment Mock Drill on Chemical Spillage was conducted to check response.
- SEIL bagged F&S TERI Sustainability Front Runners" Award under "Mega Large-Scale Industry" Category.

Certifications

Our Company's Thermal Power Plant has been re-certified for complying with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 standards.

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.

SEIL Energy India Limited (Formerly known as 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.

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 Whistleblowing Committee 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 athttps:// seilenergy.com/AboutUs/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. Your 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.

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 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. 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, 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. The Company is also closely monitoring macro-economic environment, power market, and regulatory changes to identify new risks, and manage these risks.

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 approve any deviation to risk management policies or any breach of risk limits.

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. Risk function acts as the second line of defence. Auditors act as the third line of defence.

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 your Company can be viewed at the Company's website at www.seilenergy.com

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 business 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 frame-work, which includes the tracking of human capital risk supported by succession planning for key roles across multiple levels.
- Talent Development Framework
- Online performance management system with continuous feed back process
- Digitised Learning management system

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 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. 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.

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. During Annual overhaul, APH-2A and 2B high pressure water jet cleaning done. APH seals replaced with new, resulted in leakage & restriction reduction thus saving about 1350 KW of Power in ID, FD & PA fans.

ii. Unit-2 Natural Draft Cooling Tower damaged fills rectified, drift eliminators replaced & interconnecting hot channels leaks attended during AOH improving the heat rate improved through condenser vacuum improvement.

iii. Unit-2 coal burners, abraded primary & secondary air diffusers replaced with new and combustion tuning carried out improving the Heat rate.

iv. Replacement of existing conventional lighting system with energy efficient LEDs - 3187 nos. of fittings replaced reducing the Power consumption.

v. Cooling tower blowdown established through CW system and Blowdown pumps stopped thus reduced the power consumption of the pumps.

SEIL P2

i. Unit-2 Turbine alumina blasting, seals adjustment & overhauling of all turbine valves carried out during Capital overhauling (COH) and saved in Gross Heat Rate (GHR) .

ii. Cooling tower blowdown established through CW system and Blowdown pumps stopped thus reduced the power consumption of the pumps.

iii. Replacement of existing conventional lighting system with energy efficient LEDs - 2167 nos. of fittings replaced reducing the Power consumption.

iv. Unit-2 Condenser tubes jet cleaning carried out, Natural Draft Cooling Tower nozzles cleaning & replacement 3000 m3 fills replacement with new during 2022 COH. GHR improvement achieved on vacuum improvement.

SEIL P1 & P2

Stopping of Circulation water pumps in Part load & ambient temperature favourable conditions for energy saving without process degradation which help to achieve significant power saving in P1 & P2 respectively.

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

i. Techno economic viability study carried out for solar thermal feed water heating system in steam turbine cycle's HP/LP heater extraction system.

ii. Techno economic viability study carried out for Biomass pellets firing to utilize Agri waste.

iii. c) Capital investment on energy conservation equipment:

Project	Energy conservation equipment	Capital investment on energy conservation equipment (Rs. in millions)
P1	EMS-Energy Management System (Auxiliary power Monitoring)	2.2
P2	PAM – Predictive Asset Maintenance tool under implementation on phase wise-Pilot Project	1

iv. B. TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption

Project	Efforts made towards technology absorption
P1	Energy Management system implemented by integrating 342 energy meters
P2	PAM – Predictive Asset Maintenance tool under implementation on phase wise
P1 & P2	GHG emissions real time monitoring system implemented through EtaPro

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

SEIL P1:

EMS (Energy Management System) – 342 Energy meters integrated to control room for monitoring equipment level power consumptions. Dynamic APC targets on equipment and system wise power consumption implemented. Deviation settlement Mechanism (DSM) implemented.

SEIL P2:

Predictive Asset Maintenance tool based on Advanced Pattern Recognition/ Machine Learning techniques such as neural networks, similarity based modelling and other statistical techniques. Tool is helpful in improving asset availability by reducing number of forced outages and reducing breakdown maintenance time and cost. Resulting in improving plant operation reliability.

SEIL P1 & P2:

Realtime GHG emission intensity and absolute emissions monitoring system as per IPCC protocol implemented through EtaPro. It helps in benchmarking and monitoring of emissions.

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: NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned.

Used	USD 52,15,84,771
	SGD 16,60,648
	EUR 2,242
Earned	USD 11,87,19,885

SECRETARIAL AND OTHER MATTERS

Annual return

The Annual Return for the financial year 2022-23, pursuant to Section 92(3) of the Companies Act, 2013 will be made available on the website of the Company at www.seilenergy.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.

Change of name of the Company

Consequent to change of ownership of the Company, the name of the Company was changed to SEIL Energy India Limited, and the Ministry of Corporate Affairs has issued fresh Certificate of incorporation pursuant to change of name of the Company on April 20, 2023.

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 on 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

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Date : July 27, 2023
Place : Gurugram

SEIL

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	NIL
(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	
(f)	Date of approval by the Board	
(g)	Amount paid as advances, if any	
(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)	Name(s) of the related party and the nature of relationship	NIL
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/arrangement/ transactions	
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
(e)	Date of approval by the Board	
(f)	Amount paid as advances, if any	

For and on behalf of the Board

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Date : July 27, 2023
Place : Gurugram

Annexure -2

Form No. MR-3
Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,
The Members,
SEIL Energy India Limited
(formerly known as Sembcorp Energy India Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SEIL Energy India Limited (hereinafter called 'Company' or 'SEIL') (formerly known as Sembcorp Energy India Limited) for the financial year ended March 31, 2023 ('Audit Period') in terms of the engagement letter dated February 7, 2023. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, subject to our comments herein, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place.

We have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of applicable law provided hereunder:

a). The Companies Act, 2013 ('Act') and the rules made thereunder including any re-enactment thereof;

b). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment;

c). The Depositories Act, 1996 and the Regulations and bye- laws framed thereunder;

d). SEBI circulars with respect to commercial papers;

e). Specific laws as applicable to the Company:
i) The Electricity Act, 2003.

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings ('SS-1') and for General Meetings ('SS-2') issued by the Institute of Company Secretaries of India.

We report that during the Audit Period, the Company has complied with the provisions of the applicable Act, rules, regulations, SEBI circulars w.r.t. commercial paper, guidelines, standards etc.

Recommendations as a matter of best practice:

In the course of our audit, we have made certain recommendations for good corporate practices to the compliance team, for its necessary consideration and implementation by the Company.

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 Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance with due compliance of the Act and SS-1 except for the meeting held at shorter notice (in compliance of the applicable laws). Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions are carried through unanimous approval and there was no minuted instance of dissent in Board or Committee meetings.

We further report that there are adequate systems and processes in the Company, which commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not undertaken any specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc, except the following:

1. **Transfer of shares by Sembcorp Utilities Pte Ltd ('SCU') held in the Company to Tanweer Infrastructure SAOC ('Tanweer Infra')**

   Pursuant to the Share Purchase Agreement dated October 13, 2022 entered into between SCU and Tanweer Infra, SCU transferred its 100% shareholding in the Company to Tanweer Infra, thereby ceasing to be the holding company of SEIL w.e.f January 19, 2023.
   With effect from January 19, Tanweer Infra is holding 100% equity shares of the Company.

2. **Change of name of the Company from Sembcorp Energy India Limited to SEIL Energy India Limited**

   Pursuant to the necessary approvals by the Board of Directors and members of the Company and approval from the Registrar of Companies, the name of the Company got changed from Sembcorp Energy India Limited to SEIL Energy India Limited w.e.f date of issue of fresh certificate of incorporation i.e. April 20, 2023.

3. **Raising of funds by issue of Commercial Papers (CPs)**

   The Company raised funds of INR 30 billion, in aggregate, by way of issue of CPs during the Audit Period.

For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300

Barsha Dikshit
Partner
Membership No.: A48152
CP No.:18060
UDIN: A048152E000601617
Peer Review Certificate No.: 781/2020

Place: New Delhi
Date: 13.07.2023

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

Annexure I

Auditor and Management Responsibility
ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
SEIL Energy India Limited
(formerly known as Sembcorp Energy India Limited)

Our Secretarial Audit 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. The list of documents for the purpose, as seen by us, is listed in Annexure II;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a 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. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same;
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon versions (hard copy and electronic) of such books and records, as provided to us during on-site visit and through online communication. Where we have verified documents via online mode, we have followed the guidance as issued by the Institute;
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as the correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;
6. We have held discussion with the management on several points and wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc;
7. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis;
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
10. 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.

Annexure II

List of Documents

1. Minutes for the meetings of the following held during the Audit Period:
   a. Board of Directors;
   b. Audit Committee;
   c. Nomination and Remuneration Committee;
   d. Corporate Social Responsibility Committee;
   e. Annual General Meeting;
   f. Extraordinary General Meeting.
2. Proof of circulation of draft and signed minutes of the Board and Committee meetings on a sample basis;
3. Annual Report for financial year 2021-22;
4. Draft financial statement for financial year 2022-23;
5. Directors' disclosures under the Act and rules made thereunder;
6. Statutory registers maintained under the Act;
7. Forms filed with the Registrar;
8. Policies framed in accordance with the Act;
9. Memorandum of Association and Articles of Association of the Company.

Annexure - 3

Form AOC-I

(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 Rs in millions)"

SI 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, 2023"	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
	TPCIL Singapore Pte Ltd *	No	USD	82.22	2.92	(2.54)	0.77	0.39	-	-	(0.31)	-	(0.31)	-	100.00
	'Refer 0.00 million as figures less than 0.01 million														

* Subsidiaries which are yet to commence operations

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 Rs in thousands)

SI 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
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)

Place: Nellore
Date: 24 May 2023

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

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.

SEIL 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 one woman Director as on March 31, 2023. 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, 2023 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. Tareq Mohamed Sultan Al Mugheiry	Chairman	Non-Executive Non-Independent	Nil	Nil	Nil	Nil
2	Mr. Hamad Mohammad Hamood Al waheibi	Director		Nil	Nil	Nil	Nil
3	Mr. Cyrus Erach Cooper	Director		Nil	Nil	Nil	Nil
4	Mr. Raghav Trivedi	Whole Time Director & CEO	Executive	Nil	4*	Nil	Nil
5	Mr. R S Sharma	Director	Non-Executive Independent	6	Nil	2	7
6	Ms. Sangeeta Talwar	Director		5	Nil	2	8
7	Mr. Kalaikuruchi Jairaj	Director		7	Nil	2	5

* as a nominee of Tanweer Infrastructure SAOC

NOTES

- [(1)]Excludes directorship in private companies, foreign companies and companies registeredunder 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. Tareq Mohamed Sultan Al Mugheiry	Nil	NA.
2	Mr. Hamad Mohammad Hamood Al Waheibi	Nil	NA.
3	Mr. Cyrus Erach Cooper	Nil	NA.
4	Mr. Raghav Trivedi	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 Limited PCBL Limited	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. Tareq Mohamed Sultan Al Mugheiry	Mr. Tareq Mohamed Sultan Al Mugheiry, Chief Investment Officer of Oman Investment Corporation brings more than 20 years of leadership experience in private equity and infrastructure investments, debt and equity raising, buy-side and sell-side M&A transactions and finance.
Mr. Hamad Mohammad Hamood Al Waheibi	Mr. Hamad Mohammad Al Waheibi, General Manager- investment with the Ministry of Defense Pension Fund brings more than 20 years of experience in the areas of investment, assets management, business development and financial sector.
Mr. Cyrus Erach Cooper	Mr. Cyrus Erach Cooper, Chief Financial Officer of Oman Investment Corporation, has more than 25 years of experience. He led and managed several equity and debt fund raisings in Oman and international markets.
Mr. Raghav Trivedi	Mr. Raghav Trivedi, Whole Time Director and Chief Executive Officer of the Company has around 40 years of work experience in the power industry with rich experience in both leadership, operational, project execution and power distribution roles. He brings extensive experience in a broad range of operational and technical aspects such as O&M, coal sourcing, engineering, and safety among others.

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

Board meeting dates for the calendar year 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 2022-23, twelve Board meetings were held on April 25- 26, 2022, May 26, 2022, August 3, 2022; August 29, 2022; November 10, 2022; November 24, 2022; November 29, 2022; January 20, 2023; February 9, 2023; March 2, 2023; March 9, 2023 and March 15, 2023.

The Board of Directors and their attendance for the Board Meetings, the Annual General Meeting during the Financial Year 2022-23 is given below:

S. No	Name of the Director	Designation	No. of Board meetings entitled to attend/ held during tenure	Number of Board meetings attended	Attendance at AGM on August 23, 2022
1	Mr Wong Kim Yin*	Chairman	8	7	No
2	Mr. Vipul Tuli**	Managing Director	7	7	Yes
3	Mr. Eugene Cheng*	Director	8	8	No
4	Ms. Looi Lee Hwa***	Director	7	5	No
5	Mr. R S Sharma	Director	12	12	No
6	Ms. Sangeeta Talwar	Director	12	12	No
7	Mr. Kalaikuruchi Jairaj	Director	12	12	No
8	Mr. Raghav Trivedi #	Whole Time Director & CEO	5	4	Not Applicable
9	Mr. Cyrus Erach Cooper #	Director	5	5	Not Applicable
10	Mr. Tareq Mohamed Sultan Al Mugheiry ##	Director	3	3	Not Applicable
11	Mr. Hamad Mohammad Hamood Al Waheibi ##	Director	3	3	Not Applicable

** resigned as a Director of the Company w.e.f. January 20, 2023*
*** resigned as a Director as well as Managing Director of the Company w.e.f. January 18, 2023*
**** resigned as a Director of the Company w.e.f. November 30, 2022*
 # appointed as a Director of the Company w.e.f. January 20, 2023
appointed as a Director of the Company w.e.f. March 02, 2023

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 terms 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.seilenergy.com

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 was held on March 09, 2023. The Independent Directors, inter alia, discussed, and reviewed performance of Non-Independent Directors, Chairperson of the Company and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

COMMITTESS OF THE BOARD

Audit Committee

The Audit Committee is 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.

Pursuant to the change in ownership of the company and due to changes in the existing Board of Directors, the existing Audit Committee of the Board was reconstituted with effect from March 15, 2023.

The Audit Committee of the Company as on March 31, 2023 consists of four Directors with Mr. R. S. Sharma, Chairman and Mr. K. Jairaj, Ms. Sangeeta Talwar and Mr. Cyrus Erach Cooper as its other members.

During the period under review, four meetings of the Audit Committee were held on May 26, 2022, August 3, 2022, November 10, 2022 and February 9, 2023. 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 entitled to attend/ held during tenure	No of meetings attended
1	**Mr. R.S. Sharma**	Chairman	4	4
2	**Mr. K Jairaj**	Member	4	4
3	**Ms. Sangeeta Talwar**	Member	4	4
4	**Ms. Looi Lee Hwa**	Member	1	1
5	**Mr. Eugene Cheng**	Member	2	2
6	**Mr. Cyrus Erach Cooper**	Member	-	-

Note-

1. 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.
2. Mr. Cyrus Erach Cooper has been inducted as a Member of Audit Committee in place of Mr. Eugene Cheng w.e.f March 15, 2023 by the Board of Directors in their meeting held on March 15, 2023.

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 2022-23 has been carried out by an outside consultant, through online survey mechanism as per Companies Act, 2013.

Pursuant to the change in ownership of the Company the existing Nomination and Remuneration Committee of the Board was reconstituted with effect from March 15, 2023.

The Nomination and Remuneration Committee of the Company as on March 31, 2023 comprises of five Directors with Ms. Sangeeta Talwar, Independent Director as the Chairperson and Mr. R. S. Sharma, Mr. K. Jairaj, Mr. Tareq Mohamed Sultan Al Mugheiry and Mr. Hamad Mohammad Hamood Al Waheibi as its other members.

During the year under review, the Nomination and Remuneration Committee of the Board met thrice on November 24, 2022, January 18, 2023 and March 09, 2023. 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 entitled to attend/ held during tenure	No. of meetings attended
1	**Ms. Sangeeta Talwar**	Chairperson	3	3
2	**Mr. R S Sharma**	Member	3	3
3	**Mr. K Jairaj**	Member	3	3
4	**Mr. Tareq Mohamed Sultan Al Mugheiry**	Member	-	-
5	**Mr. Hamad Mohammad Hamood Al Waheibi**	Member	-	-

Note:-

Mr. Tareq Mohamed Sultan Al Mugheiry and Mr. Hamad Mohammad Hamood Al Waheibi were inducted as Member of Nomination and Remuneration Committee w.e.f. March 15, 2023 by the Board of Directors in their meeting held on March 15, 2023.

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.

Pursuant to the change in ownership of the Company the existing Corporate Social Responsibility Committee of the Board was reconstituted with effect from March 15, 2023.

The Corporate Social Responsibility Committee of the Company as on March 31, 2023 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. Tareq Mohamed Sultan Al Mugheiry. The CSR Committee met twice during the financial year on July 27, 2022 and November 24, 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 entitled to attend/ held during tenure	No. of meeting attended
1	**Mr. K Jairaj**	Chairman	2	2
2	**Mr. R.S. Sharma**	Member	2	2
3	**Mr. Vipul Tuli**	Member	2	2
4	**Ms. Sangeeta Talwar**	Member	2	2
5	**Mr. Tareq Mohamed Sultan Al Mugheiry**	Member	-	-

Note-

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

2. Mr. Vipul Tuli ceased to be the member of CSR committee after the resignation as a Director of the Company.

3. Mr. Tareq Mohamed Sultan Al Mugheiry was inducted as Member of CSR Committee w.e.f. March 15, 2023 by the Board of Directors in their meeting held on March 15, 2023

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 Stakeholders Relationship Committee of the Company as on March 31, 2023 comprises of three Directors with Independent Director as Chairman. The members of the Committee include Mr. K. Jairaj, Mr. R. S. Sharma and Mr. Cyrus Erach Cooper.

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	Designation
1	**Mr. K. Jairaj**	Chairman
2	**Mr. R. S. Sharma**	Member
3	**Mr. Cyrus Erach Cooper**	Member

Mr. Cyrus Erach Cooper has been inducted as a Member of Stakeholders' Relationship Committee in place of Mr. Vipul Tuli w.e.f March 15, 2023 by the Board of Directors in their meeting held on March 15, 2023.

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. Rajeev Ranjan, 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@seilenergy.com set up as a dedicated ID solely for the purpose of dealing with Members' queries/complaints.

The Board has appointed Mr. Rajeev Ranjan, 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/ Whole Time Director during the year under review.

Amount in INR

S.no.	Particulars of Remuneration	Mr. Vipul Tuli, Managing Director*	Mr. Raghav Trivedi, Whole Time Director & CEO**
1	Remuneration	31,497,263	39,258,412
	(a) Salary	-	-
	(b) Benefits	-	-
	(c) Bonus	54,630,876	-
	d) Stock Options	-	-
	e) Pension	-	-
2	Fixed Component and Performance linked incentives	-	-
3	Service contracts, notice period, severance fees	-	-
4	Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.	-	-
	Total	**86,128,139**	**39,258,412**

* upto January 18, 2023
** w.e.f January 20, 2023

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:

Sl. No	Name of the Director	Category of the Director	Sitting Fee (Amount in INR.)
1	**Mr. R S Sharma**	Non-Executive Independent Director	**22,00,000**
2	**Ms. Sangeeta Talwar**	Non-Executive Independent Director	**22,00,000**
3	**Mr. Kalaikuruchi Jairaj**	Non-Executive Independent Director	**22,00,000**

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
2021-22	Tuesday, August 23, 2022 at 11:00 A.M.	5th Floor, Tower C, Building No. 8, DLF Cybercity, Gurugram – 122002, Haryana	Nil
2020-21	Thursday, July 01, 2021 at 11.00. A.M.		Nil
2019-20	Wednesday, September 23, 2020 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.seilenergy.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 : Wednesday, August 16, 2023 at 11.00 AM at 5th Floor, Tower C, Building No. 8, DLF Cybercity, Gurugram – 122002, Haryana

(b) Financial Year : April 01, 2022 to March 31, 2023

(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 & above	-	543,36,68,484	543,36,68,484	100%	-	-	1	11.11	1	11.11
Total	**-**	**543,36,68,574**	**5,43,36,68,574**	**100%**	**-**	**-**	**9**	**100**	**9**	**100**

Shareholding pattern as on 31st March 2023:

Particulars	Equity shares of Rs.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, 2023

Sl No	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Tanweer Infrastructure SAOC	**543,36,68,484**	100.00
2.	Mr. Juvenil Ashwinkumar 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 Tanweer Infrastructure SAOC.

Dematerialization of Shares as on March 31, 2023 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, 2023.

During the year, the Company has not issued any GDRs/ADRs/Warrants or any other convertible instruments nor outstanding as on March 31, 2023.

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 – 524 344, Andhra Pradesh	Ananthavaram Village, Varakavipudi Panchayat, TP Gudur Mandal, Nellore – 524 344, Andhra Pradesh

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

Credit Rating:

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

- Mar 2023 - AA+/ Stable by India Ratings for working capital facilities of SEIL P1 and SEIL P2
- Mar 2023- AA+/ Stable by India Ratings for non-fund based facilities of SEIL P1 and SEIL P2
- Mar 2023- AA+/ Stable by India Ratings for proposed NCDS
- Mar 2023- A1+ by CRISIL Ratings for short term (Commercial Paper)
- Mar 2023 - A1+ by ICRA for short term (Commercial Paper)
- Mar 2023- AA+/ Stable by CRISIL Ratings for bank loan facilities

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 August 16, 2023.
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

For and on behalf of the Board

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Date : July 27, 2023
Place : Gurugram

Annexure – 5

CSR Report – 2022-23

SEIL ENERGY INDIA LIMITED
(FORMERLY KNOWN AS SEMBCORP ENERGY INDIA LIMITED)
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FY 2022-23

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:

Sl.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.seilenergy.com

2. Composition of CSR Committee (as on March 31, 2023):

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. K. Jairaj	Chairman	2	2
2	Mr. R. S. Sharma	Member	2	2
3	Ms. Sangeeta Talwar	Member	2	2
4	Mr. Tareq Mohamed Sultan Al Mugheiry	Member	-	-

3. Provide the web-link(s) 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.seilenergy.com

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

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 crores.

5. **(a) Average net profit of the company as per sub-section (5) of section 135 -** INR 4589.71 Mn

   (b) Two percent of average net profit of the company as per sub-section (5) of section 135 - INR 91.79 Mn

   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. - NIL

   (d) Amount required to be set-off for the financial year, if any. - NIL

   (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. – INR 91.79 Mn

6. **(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). -** INR 33.83 Mn

   (b) Amount spent in Administrative Overheads. - NIL

   (c) Amount spent on Impact Assessment, if applicable. - NIL

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. – INR 33.83 Mn

   (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (In Mn INR)	Amount Unspent (in Mn INR)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer.	Name of the Fund	Amount	Date of transfer
33.83 Mn INR	58.17 Mn INR	26-04-2023	-	-	-

(f) Excess amount for set-off, if any: NIL

Sl. No.	Particular	Amount (IN MN Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	91.79
(ii)	Total amount spent for the Financial Year	33.83
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(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)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Mn.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Mn.)	Amount Spent in the Financial Year (in Mn)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Mn)	Deficiency, if any
					Amount (in Mn)	Date of Transfer		
1	FY-2021-22	12.03	-	12.03	-	-	-	-
2	FY-2020-21	-	-	-	-	-	-	-
3	FY-2019-20	-	-	-	-	-	-	-

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

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

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

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

Raghav Trivedi
Chief Executive Officer

Mr. K Jairaj
Chairman, CSR Committee

Date : July 27, 2023

Place : Gurugram

Standalone Financial Statements

Independent Auditor's Report

To the Members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

Report on the audit of the standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023 and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Assessment of the carrying value of property, plant and equipment and goodwill relating to SEIL-P2 (Refer note 2.2 to the standalone financial statements) The carrying value of property, plant and equipment (PP&E) and goodwill relating to SEIL-P2 which was acquired by the Company in an earlier year amounts to Rs. 76,500 million and Rs. 1,234 million respectively as at March 31, 2023.	Our procedures included the following: • Obtained an understanding of the design and tested the operating effectiveness of the key controls surrounding impairment assessment. • Evaluated the Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Company's determination of CGU was consistent with our knowledge of the Company's operations.

Key audit matter	How our audit addressed the key audit matter
The said PP&E are carried at cost less accumulated depreciation. At the end of the reporting period, the Company assesses their carrying values and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', if there is any indication of impairment to the carrying value. Goodwill is carried at cost and is tested annually for impairment. As mentioned in the note 2.2, the Management considers the said PP&E and goodwill as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. During the year, the Company has carried out an impairment assessment by estimating the recoverable amount of the CGU using discounted cash flow model over the remaining useful life of the CGU and comparing the same with its carrying value. Based on their assessment, the management concluded that no provision for impairment was necessary as at March 31, 2023. We considered this a key audit matter given the significance of the carrying value of PP&E and goodwill belonging to the CGU, estimations and the significant judgements involved in respect of key inputs like discount rate, future cash flows for the purpose of impairment assessment.	• Evaluated the cash flow forecasts from our understanding of the internal and external factors, compared them to the budgets, actual past results and other supporting documents. • With the involvement of auditor's experts, assessed the reasonableness of the methodology used, key assumptions considered in the discounted cash flow projections for determining the recoverable value of the CGU. • Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the mathematical accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosures in the standalone financial statements. Based on the above procedures performed, management's assessment of carrying value of PP&E and goodwill relating to SEIL-P2 are considered to be reasonable.

Other Information

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

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

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

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

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

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes

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

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

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

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

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

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

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

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

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

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

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis, on servers physically located in India.

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

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

    e. On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

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

    g. With respect to the maintenance of accounts and other matters connected therewith, we draw reference to our comment in paragraph 14(b) above.

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

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

    ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

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

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 2.53 to the standalone financial statements); and

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

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

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

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

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

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRT2686

Place: Gurugram
Date : May 24, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements for the year ended March 31, 2023

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

1. We have audited the internal financial controls with reference to financial statements of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles.

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements for the year ended March 31, 2023

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRT2686

Place: Gurugram
Date : May 24, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.

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

(b) The property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

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

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

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

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

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

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

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

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

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

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

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

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

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute. The particulars of dues of income tax, service tax, goods and services tax and entry tax as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

SEIL

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

Name of the statute	Nature of dues	Amount of demand without netting off amount paid under protest (Rupees in millions)	Amount paid under protest (Rupees in millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax and interest	82.71	29.48	AY 2012-13	Hon'ble High Court of Telangana
Income Tax Act, 1961	Income tax and interest	548.75	181.38	AY 2013-14, AY 2014-15, AY 2015-16, AY 2016-17	Commissioner of Income-tax, Appeals
Income Tax Act, 1961	Income tax and interest	115.87	23.17	AY 2017-18, AY 2018-19	Deputy Commissioner of Income tax, Appeals
Telangana Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	43.3	15.15	FY 2013-15	Deputy Commercial Tax officer
AP Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	107.32	26.83	FY 2015-17	Hon'ble High Court of Andhra Pradesh
The Finance Act, 1994	Service tax	798.14	59.89	FY 2016-17	Central Excise and Service tax Appellate Tribunal (CESAT), Hyderabad*
AP GST Act, 2017	Goods and Service tax	1,108.27	63.92	FY 2017-18, FY 2018-19	Appellate Additional Commissioner (State Tax), Tirupati

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

*CESAT vide its order dated April 21, 2023 allowed the appeal in favour of the Company in respect of demand of Rs. 796.80 millions.

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

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

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

Defaulter by any bank or financial institution or government or any government authority.

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

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating to Rs. 20,000 millions for long-term purposes for the reasons stated in note 2.17 to the standalone financial statements.

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

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

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

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

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

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

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

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

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

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

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

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

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

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

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

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

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

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

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

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

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

Financial year	Amount to be spent in accordance with section 135(5)	Amount remaining unspent as at the year-end to be transferred special account u/s 135(6)	Amount transferred to Special Bank Account u/s 135(6), within 30 days from end of financial year (or till the date of audit report, if that is earlier)	Amount transferred to Special Bank Account u/s 135(6), after a period of 30 days from end of financial year (till the date of audit report)	Amount not transferred to Special Bank Account u/s 135(6), till the date of audit report
(a)	(b)	(c)	(d)	(e)	(f)
2022-23	92	58.17	58.17		

(Also refer note 2.36 to the standalone financial statements)

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

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

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRT2686

Place: Gurugram
Date : May 24, 2023

Standalone Balance Sheet

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

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	1,43,292.52	1,49,039.66
Capital work-in-progress	2.1	306.39	159.48
Goodwill	2.2	1,234.20	1,234.20
Other intangible assets	2.2	12.65	9.95
Financial assets			
Investments	2.7	2.92	2.92
Trade receivables	2.8	3,208.67	-
Other financial assets	2.3	1,088.30	2,822.69
Non-current tax assets (net)	2.4	1,075.19	977.66
Other non-current assets	2.5	491.63	320.58
Total non-current assets		**1,50,712.47**	**1,54,567.14**
Current assets			
Inventories	2.6	10,014.36	7,322.49
Financial assets			
Investments	2.7	157.44	2,471.30
Trade receivables	2.8	37,284.90	36,785.74
Cash and cash equivalents	2.9	1,029.92	4,757.98
Bank balances other than cash and cash equivalents	2.9	-	2,039.50
Other financial assets	2.3	1,096.95	1,844.56
Other current assets	2.5	6,748.70	6,267.80
Total current assets		**56,332.27**	**61,489.37**
Total assets		**2,07,044.74**	**2,16,056.51**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10	54,336.69	54,336.69
Other equity	2.11	62,726.67	56,656.44
Total equity		**1,17,063.36**	**1,10,993.13**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	2.12	34,747.76	69,672.98
Lease liabilities	2.31	36.99	43.9
Provisions	2.14	-	29.13
Deferred tax liabilities (net)	2.15	3,167.69	867.36
Total non-current liabilities		**37,952.44**	**70,613.37**
Current liabilities			
Financial liabilities			
Borrowings	2.17	32,519.91	15,316.02
Lease liabilities	2.31	19.48	17.49
Trade payables	2.18		
Dues to micro and small enterprises		82.74	25.54
Dues to creditors other than micro and small enterprises		5,068.40	4,826.53
Other financial liabilities	2.13	8,170.38	8,210.25
Other current liabilities	2.16	5,951.67	5,815.76
Provisions	2.14	66.88	88.94
Current tax liabilities (net)	2.19	149.48	149.48
Total current liabilities		**52,028.94**	**34,450.01**
Total liabilities		**89,981.38**	**1,05,063.38**
Total equity and liabilities		**2,07,044.74**	**2,16,056.51**

Significant accounting policies (Refer Note-1)

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

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

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: May 24, 2023

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Nellore
Date: May 24, 2023

Standalone statement of profit and loss

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

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	2.20	93,886.00	76,891.00
Other income	2.21	4,226.64	1,421.70
Total income		**98,112.64**	**78,312.70**
Expenses			
Cost of fuel	2.22	65,178.26	46,729.68
Transmission charges	2.23	3,806.83	3,113.82
Employee benefits expense	2.24	1,881.73	2,476.57
Finance costs	2.25	7,955.56	10,892.72
Depreciation and amortisation expenses	2.26	5,940.76	6,692.40
Impairment Loss / (Reversal) on Financial Assets (Net)		(796.81)	462.62
Derecognition of financial assets measured at amortised cost		1,885.67	-
Operating and other expenses	2.27	3,789.47	3,399.67
Total expenses		**89,641.47**	**73,767.48**
Profit before exceptional items and tax		**8,471.17**	**4,545.22**
Exceptional item (refer note 2.45)		-	2,446.02
Profit before tax		**8,471.17**	**2,099.20**
Tax expense			
Current tax expense		-	-
Current tax adjustment relating to earlier years	2.38	-	(252.15)
Deferred tax expense		2,256.60	927.7
Total tax expense		**2,256.60**	**675.55**
Profit after tax		**6,214.57**	**1,423.65**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligations		8.05	(44.2)
Income tax effect on above item		16.61	-
		24.66	**(44.2)**
Items that will be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedge		(115.83)	157.47
Cost of hedging reserve – changes in fair value		31.46	(31.46)
Income tax effect on above item		(60.34)	60.34
		(144.71)	**186.35**
Total comprehensive income for the year		**6,094.52**	**1,565.80**
Earnings per equity share (Face value of share Rs.10 each) Basic and diluted (Rs.)	2.30	1.14	0.26

Significant accounting policies (Refer Note-1)

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

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

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: May 24, 2023

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Nellore
Date: May 24, 2023

Standalone cash flow

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	8,471.17	2,099.20
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	5,940.76	6,692.40
Finance costs	7,955.56	10,892.72
Impairment Loss/ (Reversal) on Financial Assets (Net)	(796.81)	462.62
Loss on derecognition of financial assets measured at amortised cost	1,885.67	-
Unwinding of discount on trade & late payment surcharge receivables	(1,008.26)	-
Interest income on bank deposits	(300.64)	(264.67)
Property, plant and equipment written off	3.25	0.26
Net gain on financial assets measured at FVTPL	(77.39)	(81.62)
Net unrealised loss on foreign exchange differences	356.39	114.07
Exceptional Item (refer note 2.45)	-	2,446.02
Operating cash flows before working capital changes	**22,429.70**	**22,361.00**
(Increase) in inventories	(2,691.87)	(2,741.87)
(Increase) in trade receivables and late payment surcharge receivables	(3,140.83)	(6,548.47)
(Increase) in financial and non-financial assets including derivative assets	(564.82)	(675.59)
(Decrease)/ increase in trade payable, other financial liabilities and current liabilities	(26.59)	3,659.43
Increase/(decrease) in provisions	(43.14)	1.99
Cash generated from operations	**15,962.45**	**16,056.49**
Income-tax paid (net of refund)	(97.53)	(76.6)
Net cash generated from operating activities (A)	**15,864.92**	**15,979.89**
Cash flows from investing activities		
Payment for purchase of property, plant and equipment and capital work-in-progress	(456.38)	(2,113.01)
Proceeds from sale of property, plant and equipment	-	0.51
Interest income received on bank deposits	366.85	330.17
(Investment in)/maturity of bank deposits, net	3,799.25	(-80.16)
Redemption of mutual funds, net	2,391.25	93.59
Proceeds from sale of investment in subsidiary	-	52,321.20
Net cash generated from investing activities (B)	**6,100.97**	**50,552.30**
Cash flows from financing activities		
Proceeds from long-term borrowings	30,000.00	12,150.00
Repayment of long-term borrowings	(67,023.04)	(46,178.64)
Proceeds /(Repayment) of short-term borrowings, net	19,286.16	(12,157.37)
Payment of lease liabilities	(10.54)	(17.79)
Finance cost paid	(7,946.53)	(17,469.45)
Net cash used in financing activities (C)	**(25,693.95)**	**(63,673.25)**
Net increase in cash and cash equivalents (A+B+C)	(3,728.06)	2,858.94
Cash and cash equivalents at the beginning of the year	**4,757.98**	**1,899.04**
Components of cash and cash equivalents		
Cash on hand		
Balance with scheduled banks		
In current accounts	725.62	443.17
Deposits with original maturity of less than three months	304.3	4,314.81
Total cash and cash equivalents	**1,029.92**	**4,757.98**

Significant accounting policies (Refer Note-1)

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

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

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Tareq Mohamed Sultan Al Mugheiry
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DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Standalone statement of changes in equity

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

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 1, 2021	5,43,36,68,574	54,336.69
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2022	**5,43,36,68,574**	**54,336.69**
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2023	**5,43,36,68,574**	**54,336.69**

B. Other Equity

Particulars	Reserves and surplus					Other comprehensive income			Total
	Other reserve								
	Securities premium	Capital reserve on amalgamation	Fair value of interest free INR denominated notes from erstwhile holding company (SCU)	Share-based payments reserve	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging	
Balance as at April 1, 2021	40,207.03	16,013.56	1,390.14	-	(2,293.95)	(29.86)	(41.64)	-	55,245.28
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2021	40,207.03	16,013.56	1,390.14	-	(2,293.95)	(-29.86)	(41.64)	-	55,245.28
Profit for the year	-	-	-	-	1,423.65	-	-	-	1,423.65
Share-based payments charged to profit or loss	-	-	-	136.2	-	-	-	-	136.2
Adjustment for recharge for share-based payments	-	-	-	6.86	-	-	-	-	6.86
Remeasurement of post-employment benefit obligations	-	-	-	-	-	(44.2)	-	-	(44.2)
Other comprehensive income/ (loss)	-	-	-	-	-	-	128.31	58.04	186.35
Fair value of interest free INR denominated notes from erstwhile holding company	-	-	(297.7)	-	-	-	-	-	(-297.7)
	-	-	**(297.7)**	**143.06**	**1,423.65**	**(44.2)**	**128.31**	**58.04**	**1,411.16**
Balance as at March 31, 2022	**40,207.03**	**16,013.56**	**1,092.44**	**143.06**	**(870.3)**	**(74.06)**	**86.67**	**58.04**	**56,656.44**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2022	**40,207.03**	**16,013.56**	**1,092.44**	**143.06**	**(870.30)**	**(74.06)**	**86.67**	**58.04**	**56,656.44**

Standalone statement of changes in equity

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

B. Other Equity (Contd.)

Particulars	Reserves and surplus					Other comprehensive income			Total
	Other reserve								
	Securities premium	Capital reserve on amalgamation	Fair value of interest free INR denominated notes from erstwhile holding company (SCU)	Share-based payments reserve	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging	
Profit for the period	-	-	-	-	6,214.57	-	-	-	6,214.57
Share-based payments charged to profit or loss	-	-	-	97.13	-	-	-	-	97.13
Adjustment for recharge for share-based payments	-	-	-	(121.42)	-	-	-	-	(121.42)
Remeasurement of post-employment benefit obligations	-	-	-	-	-	24.66	-	-	24.66
Other comprehensive income/(loss)	-	-	-	-	-	-	(86.67)	(58.04)	(144.71)
Fair value of interest free INR denominated notes from holding company	-	-	-	-	-	-	-	-	-
	-	-	-	**(24.29)**	**6,214.57**	**24.66**	**(86.67)**	**(58.04)**	**6,070.23**
Balance as at March 31, 2023	**40,207.03**	**16,013.56**	**1,092.44**	**118.77**	**5,344.27**	**(49.40)**	**-**	**-**	**62,726.67**

Significant accounting policies (Refer Note-1)

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

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

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: May 24, 2023

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

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Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Nellore
Date: May 24, 2023

Notes to the standalone financial statements

for the year ended March 31, 2023

Corporate information

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

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

1. Basis of preparation, measurement and significant accounting policies

1.1. Basis of preparation and statement of compliance

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

These financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023.

The financial statements were authorised for issue by the Company's Board of Directors on May 24, 2023.

1.2. Functional and presentation currency

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

1.3. Basis of measurement

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

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

1.4. New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2022.

Notes to the standalone financial statements

for the year ended March 31, 2023

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

Title	Key requirements
Ind AS 16, Property, Plant and Equipment	Proceeds before intended use of property, plant and equipment The amendment clarifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).
Ind AS 37, Provisions,	Onerous Contracts – Cost of fulfilling a contract
Contingent Liabilities and Contingent Assets	The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.
Ind AS 103, Business combinations	References to the conceptual framework The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
Ind AS 109, Financial Instruments	Fees included in the 10% test for derecognition of financial liabilities The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.5. New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 1, 2023. The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the company's accounting policy already complies with the now mandatory treatment.

1.6. Use of estimates and judgements

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

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made, if material, their effects are disclosed

Notes to the standalone financial statements

for the year ended March 31, 2023

in the notes to the financial statements. Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

i. Impairment of investments in subsidiaries

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

ii. Impairment of trade receivable and unbilled receivables

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

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

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

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

iv. Valuation of deferred tax assets and liabilities

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

v. Defined benefit plans

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

vi. Provisions and contingent liabilities

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

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed

Notes to the standalone financial statements

for the year ended March 31, 2023

only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

vii. Leases

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

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

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

viii. Fair value measurement of financial instruments

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

ix. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational

performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management.

1.7. Current and non-current classification

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

Assets

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

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

ii. It is held primarily for the purpose of being traded.

iii. It is expected to be realised within 12 months after the reporting date; or

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

Notes to the standalone financial statements

for the year ended March 31, 2023

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

All other assets are classified as non-current.

Liabilities

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

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

ii. It is held primarily for the purpose of being traded.

iii. It is due to be settled within 12 months after the reporting date; or

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

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

All other liabilities are classified as non-current.

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

Operating cycle

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

1.8. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company is engaged in generation of electricity and revenue from operations are primarily from sale of electricity. Revenue from sale of electricity is recognised net of cash discount, rebate, etc. when the power is supplied as it best depicts the value to the customer and complete satisfaction of performance obligation. Variable Consideration forming part of the total transaction price including compensation on account of change in law will be allocated and recognised when the terms of variable payment relate specifically to the Company's efforts to satisfy the performance obligation i.e. in the year of occurrence of event linked to variable consideration.

The difference between the revenue recognised and amount invoiced has been presented as deferred revenue/ unbilled revenue.

Income from power generation

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

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

Claims i.e. late payment interest/surcharge recoverable from customers, insurance claims and liquidated damages, are accounted for to the extent it is probable that the entity will collect the consideration.

Other Income

Interest income from financial assets at fair value through profit or loss is disclosed as interest

Notes to the standalone financial statements

for the year ended March 31, 2023

income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss. Dividends are recognised as other income in profit or loss when the right to receive payment is established.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are

transferred to receivables when the rights become unconditional.

Trade Receivables

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

Contract Liabilities

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

1.9. Property, plant and equipment and depreciation

i. Recognition and measurement

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

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

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

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

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

Notes to the standalone financial statements

for the year ended March 31, 2023

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

ii. Subsequent expenditure

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

iii. Depreciation

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

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

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	30 years
Office equipments	5 years	3 years to 5 years
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

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

iv. Disposals

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

1.10. Intangible assets

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

Category	Life considered
Computer software	3 -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 statement of profit and loss.

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

Notes to the standalone financial statements

for the year ended March 31, 2023

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

1.11. Inventories

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

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

1.12. Foreign currency transactions

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

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

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

1.13. Employee benefits

Short-term employee benefits

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

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

Defined benefit plans

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

A net defined benefit asset arise where a defined benefit plan has been overfunded or where actuarial gains have arisen. Such asset is recognised as the future economic benefits are available to the Company in the form of a reduction in future contributions.

Notes to the standalone financial statements

for the year ended March 31, 2023

Defined contribution plans

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

Compensated absences

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

Bonus plans

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Share based payment transactions

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

1.14. Borrowing costs

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

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

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

Notes to the standalone financial statements

for the year ended March 31, 2023

1.15. Financial instruments

i. Recognition and initial measurement

Financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A Financial asset and liability are initially measured at its fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables are initially recognised when they are originated at their transaction price as they do not contain significant financing components.

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

ii. Financial assets - Classification and subsequent measurement:

a. Financial assets at amortised cost

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

b. Financial assets at fair value through other comprehensive income

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

c. Financial assets at fair value through profit or loss

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

iii. Financial liabilities - Classification and subsequent measurement:

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

a. Financial liabilities at FVTPL

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

b. Other financial liabilities

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

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

Notes to the standalone financial statements

for the year ended March 31, 2023

iv. De-recognition of financial instruments

a. Financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

b. Financial liability

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

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

v. Offsetting

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

1.16. Fair value of financial instruments

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

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

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

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

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

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

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

1.17. Derivative financial instruments and hedge accounting

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

At inception of designated hedging relationships,

Notes to the standalone financial statements

for the year ended March 31, 2023

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

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

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

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

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

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

ii. Cash flow hedge accounting

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

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

1.18. Impairment

i. Financial assets (other than at fair value)

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

Notes to the standalone financial statements

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

ii. Non-financial assets

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

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

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

1.19. Investment in subsidiaries

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

1.20. Leases

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

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

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

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

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount

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(i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

1.21. Income taxes

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

i. Current tax

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

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of allowances and disallowances which is exercised while determining the provision for income tax. Minimum alternate tax (MAT) on the book profits or the Corporate tax payable on taxable profit is charged to the statement of profit and loss as current tax.

ii. Deferred tax

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

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

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

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

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

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

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

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

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

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

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

1.22. Provisions and contingent liabilities

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

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

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

1.23. Dividends

Dividends and interim dividends payable to the Company’s shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

1.24. Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the

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weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.25. Cash flow statement

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

1.26. Cash and cash equivalents

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

1.27. Business combinations

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

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

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

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

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

ii. Common control business combinations

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

Notes to the standalone financial statements

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

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

Particulars	Freehold Land	Roads	Right of use assets (refer note no 2.31)	Office buildings	Factory buildings	Furniture and fittings	Vehicles	Office equipment	Electrical installations	Plant and equipment	Computers	Total	Capital work-in-progress
Gross carrying amount													
Balance as at April 1, 2021	**2,613.10**	**2,317.81**	**751.97**	**1,516.66**	**796.08**	**90.58**	**87.57**	**113.51**	**95.93**	**1,81,880.32**	**117.49**	**1,90,381.02**	**599.41**
Additions	21.27	-	2.85	-	3.14	0.11	2.69	10.21	-	2,470.01	12.10	2,522.38	498.79
Disposals	-	-	(23.02)	-	-	-	(1.68)	-	-	-	(5.25)	(29.95)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	(938.72)
Balance as at March 31, 2022	**2,634.37**	**2,317.81**	**731.8**	**1,516.66**	**799.22**	**90.69**	**88.58**	**123.72**	**95.93**	**1,84,350.33**	**124.34**	**1,92,873.45**	**159.48**
Additions	-	28.23	12.03	13.15	1.84	4.01	2.39	9.00	-	107.53	12.08	190.26	303.17
Disposals	-	-	-	(3.71)	(0.72)	(7.26)	(2.47)	(12.18)	-	(1.10)	(22.22)	(49.66)	-
Capitalised during the period	-	-	-	-	-	-	-	-	-	-	-	-	(156.26)
Balance as at March 31, 2023	**2,634.37**	**2,346.04**	**743.83**	**1,526.10**	**800.34**	**87.44**	**88.50**	**120.54**	**95.93**	**1,84,456.76**	**114.20**	**1,93,014.05**	**306.39**
Accumulated depreciation													
Balance as at April 1, 2021	**-**	**1,159.32**	**76.02**	**133.22**	**156.23**	**38.77**	**42.67**	**103.37**	**74.07**	**35,308.03**	**84.42**	**37,176.12**	**-**
Depreciation for the year	-	188.66	27.38	29.64	23.36	9.76	10.00	4.93	7.79	6,370.73	15.03	6,687.28	-
Disposals	-	-	(23.02)	-	-	-	(1.60)	-	-	-	(4.99)	(29.61)	-
Balance as at March 31, 2022	**-**	**1,347.98**	**80.38**	**162.86**	**179.59**	**48.53**	**51.07**	**108.30**	**81.86**	**41,678.76**	**94.46**	**43,833.79**	**-**
Depreciation for the period	-	180.91	40.5	29.53	32.85	9.70	10.05	4.32	1.45	5,610.75	14.09	5,934.15	-
Disposals	-	-	-	(3.53)	(0.69)	(6.67)	(2.22)	(11.53)	-	(0.67)	(21.10)	(46.41)	-
Balance as at March 31, 2023	**-**	**1,528.89**	**120.88**	**188.86**	**211.75**	**51.56**	**58.90**	**101.09**	**83.31**	**47,288.84**	**87.45**	**49,721.53**	**-**
Net block													
As at March 31, 2022	**2,634.37**	**969.83**	**651.42**	**1,353.80**	**619.63**	**42.16**	**37.51**	**15.42**	**14.07**	**1,42,671.57**	**29.88**	**1,49,039.66**	**159.48**
As at March 31, 2023	**2,634.37**	**817.15**	**622.95**	**1,337.24**	**588.59**	**35.88**	**29.60**	**19.45**	**12.62**	**1,37,167.92**	26.75	**1,43,292.52**	**306.39**

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

Note 2: Refer note 2.28 and 2.29 for Contractual commitments/ obligations.

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

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

Notes to the standalone financial statements

for the year ended March 31, 2023

Note 5 : Capital Work-in-progress details as on March 31, 2023

(a) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	213.97	46.74	33.44	12.24	**306.39**
Projects temporarily suspended	-	-	-	-	-

b) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 31, 2023

Capital Work-in-progress details as on March 31, 2022

(c) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	100.05	39.31	13.81	6.31	**159.48**
Projects temporarily suspended	-	-	-	-	-

d) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 31, 2022

Note 6 : Additions in capital work-in-progress includes directly attributable expenses capitalised as under

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Legal and professional expenses	2.26	1.38
Salaries, allowance and bonus	19.84	31.90
Miscellaneous expenses	-	1.10
Total	**22.10**	**34.38**

Notes to the standalone financial statements
for the year ended March 31, 2023

Note 7 :Details of Title deeds not in the name of the Company are as follows

Relevant item in the Balance sheet and Description of item of property	Gross carrying value (in millions)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Land measuring acres 48.535 cents under Freehold land	43.93	Nelcast Energy Corporation Limited & Sembcorp Gayatri Power Limited (SGPL)	No	July 09, 2010	Title deeds of entire land in the name of Nelcast Energy Corporation Limited & SGPL were transferred to SEIL by virtue of merger order pursuant to the scheme of amalgamation of SGPL into SEIL. However, in respect of land of Acres 48.535 cents is pending for mutation in the name of the Company due to certain disputes and also administrative delays. In respect of such disputes, the Company has been legally advised that it has valid title in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property (refer note 2.28).
Land measuring acres 40.80 cents under Freehold land	36.72	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	April 08, 2013	As per the terms of agreement for sale of land entered with APIIC by NCC Power Projects Limited (erstwhile SGPL), the sale deed will be executed after commissioning the plant. However, The said sale deed is yet to be executed in the name of the Company on account of certain administrative delays.

Title deeds in respect of land not in the name of the Company consists of around 4% (89.34 acres) out of the total freehold land forming part of note 2.1.

Notes to the standalone financial statements

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

2.2 Other intangible assets and Goodwill

Particulars	Other intangible assets (Softwares)	Goodwill
Gross carrying amount		
Balance as at April 1, 2021	**110.34**	**1,234.20**
Additions	2.88	-
Disposals	-	-
Balance as at March 31, 2022	**113.22**	**1,234.20**
Additions	9.31	-
Disposals	-	-
Balance as at March 31, 2023	**122.53**	**1,234.20**
Accumulated amortisation		
Balance as at April 1, 2021	**98.15**	-
Amortisation for the year	5.12	-
Balance as at March 31, 2022	**103.27**	-
Amortisation for the year	6.61	-
Balance as at March 31, 2023	**109.88**	-
Net block		
As at March 31, 2022	**9.95**	**1,234.20**
As at March 31, 2023	**12.65**	**1,234.20**

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

The carrying value of property, plant and equipment (PPE) and goodwill relating to SEIL-P2 which was acquired by the Company in an earlier year amounting to Rs 76,500.86 million (March 31, 2022: Rs 79,407.83 million) and Rs 1,234.20 (March 31, 2022: Rs 1,234.20 million) respectively.

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

The said PPE and goodwill are considered as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. The recoverable amount of the said CGU is based on discounted value of estimated cash flows over the remaining useful life of 24 years.

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

Notes to the standalone financial statements
for the year ended March 31, 2023

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

Assumption	Basis
Cash flow projections period	Remaining useful life of PPE assumed 24 years (March 31, 2022: 25 years) Refer note 2.1 for change in useful of PPE
Weighted average cost of capital % (WACC) post tax	10.58% (March 31, 2022: 9.38%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

As at March 31, 2023 the estimated recoverable amount of the CGU exceeds its carrying amount and accordingly no adjustment is required to such carrying amount. The management has also performed sensitivity analysis of the key assumptions applied and no impairment would need to be recognised in the event of a reasonable change in the underlying key assumptions as there exists significant headroom between the recoverable amount and carrying amount.

2.3 Other financial assets
(Unsecured, considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Security deposits	10.59	10.67
Others:		
Margin money deposits and other deposits with banks*	985.60	2,745.35
Interest accrued on bank deposits	23.21	66.67
Late payment surcharge receivables	68.90	-
	1,088.30	**2,822.69**
Current		
Others:		
Interest accrued on bank deposits	0.65	23.40
Late payment surcharge receivables	1,096.30	1,821.16
	1,096.30	**1,844.56**

* includes reserved against margin money for bank guarantees, other commitments and debt service reserves on long-term borrowings.

2.4 Non-current tax assets
(Unsecured, considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
	1,075.19	977.66
Advance income taxes	1,075.19	977.66

Notes to the standalone financial statements
for the year ended March 31, 2023

2.5 Other assets
(Unsecured, considered good)

Particulars	As at March 31, 2023	As at March 31, 202
Non-current		
Capital advances	270.22	183.17
Less: Provision for capital advance	(5.06)	(5.06)
Balance with government authorities paid under protest (refer note 2.28)	197.31	119.98
Contribution to gratuity fund (net) (refer note 2.34 and 2.46)	10.19	-
Prepayments	18.97	22.49
	491.63	**320.58**
Current		
Advance to suppliers and service providers	2551.80	3,291.59
Balance with government authorities (refer note 2.44)	3851.71	2,527.95
Prepayments	345.19	448.26
	6,748.70	**6,267.80**

2.6 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
(Valued at lower of cost and net realisable value)		
Coal and Fuel*	7,619.28	5,053.01
Stores and spares	2,395.08	2,269.48
	10,014.36	**7,322.49**

* includes materials-in-transit amounting to Rs.3,455.14 million, (March 31, 2022: Rs. 3,244.39 million)

2.7 Investments

Particulars	Number of shares/ units		As at	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
A) Non-current investments: **Investments in subsidiaries** (Unquoted, valued at cost unless stated otherwise)				
Equity instruments:				
TPCIL Singapore Pte Limited	49,000	49,000	2.92	2.92
			2.92	**2.92**
B) Current investments: **Quoted, debt securities** Mutual fund securities valued at FVTPL				
UTI Liquid Cash Fund - Direct Plan - Growth	-	1,44,422	-	503.75
Axis Liquid Fund - Direct Plan - Growth	-	1,84,487	-	436.14
SBI Liquid Fund - Direct Plan - Growth	44,680	1,48,770	157.44	495.86
Nippon India Liquid Fund - Direct Plan - Growth	-	96,973	-	505.04
IDFC Cash Fund - Direct Plan - Growth	-	2,06,348	-	530.51
			157.44	**2,471.30**
Aggregate fair value of unquoted investments			2.92	2.92
Aggregate fair value and market value of quoted investments			157.44	2,471.30
Aggregate provision for impairment in value of investments			-	-

Notes to the standalone financial statements

for the year ended March 31, 2023

2.8 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 202
Trade receivable - unsecured, considered good		
Non-current		
– Billed	3,215.18	-
Less: allowance for expected credit loss	(6.51)	-
Total receivables	**3,208.67**	**-**
Current		
– Billed*	31,230.35	32,755.65
- Unbilled^	6,255.24	5,034.10
Less: allowance for expected credit loss	(200.69)	(1,004.01)
Total receivables	**37,284.90**	**36,785.74**
Current portion	37,284.90	36,785.74
Non-current portion	3,208.67	-
Break-up of security details		
Trade receivables considered good – secured	-	-
Trade receivables considered good – unsecured	40,700.77	37,789.75
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	**40,700.77**	**37,789.75**
Loss allowance	(207.2)	(1,004.01)
Total trade receivables	**40,493.57**	**36,785.74**

^The receivable is 'unbilled' because the company has not yet issued an invoice to the customer, however, the balance has been included under trade receivables as it is an unconditional right to consideration.

* includes receivables against which the company holds revolving letter of credit from customers.

Trade receivables aging schedule	As at March 31, 2023	As at March 31, 2022
Outstanding for following periods from the due date of receipt		
(i) Undisputed trade receivables -considered good		
Unbilled receivables	6,255.24	5,034.10
Not due	24,450.61	4,122.12
Less than 6 months	9,807.38	15,894.52
6 months -1 year	27.09	6,074.95
1-2 years	28.40	5,976.68
2-3 years	97.79	5.66
More than 3 years	34.26	681.72
Total	**40,700.77**	**37,789.75**
The Company does not have any disputed trade receivables outstanding as at March 31, 2023 and March 31, 2022.		

Notes:

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

(ii) The Company's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 2.41

(iii) The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Company considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.
The relevant carrying amounts are as follows:

Notes to the standalone financial statements

for the year ended March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
Total transferred trade receivables	-	2,990.48
Associated secured borrowing (refer note 2.17)	-	2,990.48

2.9 Cash and bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents:		
Balance with banks:		
On current accounts	725.62	443.17
Deposits with original maturity of less than three months	304.30	4,314.81
	1,029.92	**4,757.98**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date	-	**2,039.50**

2.10 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
Equity shares		
15,000,000,000 (March 31, 2022: 15,000,000,000) number of equity shares of Rs.10 each	150,000.00	150,000.00
	150,000.00	150,000.00
Issued, subscribed and fully paid up		
5,433,668,574 (March 31, 2022: 5,433,668,574) number of equity shares of Rs.10 each, fully paid up	54,336.69	54,336.69
	54,336.69	**54,336.69**

(i) Movements in equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	5,433,668,574	54,336.69	5,433,668,574	54,336.69
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

(ii) Shares of the company held by holding company

Particulars	As at March 31, 2023	As at March 31, 2022
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	5,43,36,68,574
Tanweer Infrastructure SAOC, the holding company along with its nominees	5,43,36,68,574	-

(iii) Details of shareholders holding more than 5% shares in the company

Name of shareholders	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	-	5,433,668,574	100.00%
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	100.00%	-	0.00%

Notes to the standalone financial statements

for the year ended March 31, 2023

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

(iv) Details of shareholding of promoters

Particulars	As at March 31, 2023		As a March 31, 2022	
	Number of shares	Percentage of total number of shares	Number of shares	Percentage of total number of shares
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-		5,433,668,574	100%
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	100.00%	-	-

(refer note 2.46)

Terms and rights attached to equity shares:

Equity shares of the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.11 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium		
Balance at the beginning of the year	40,207.03	40,207.03
Add: Additions during the year	-	-
Balance at end of the year	**40,207.03**	**40,207.03**
Capital reserve on amalgamation		
Balance at the beginning of the year	16,013.56	16,013.56
Add: Additions during the year	-	-
Balance at end of the year	**16,013.56**	**16,013.56**
Fair value of interest free INR denominated notes from erstwhile holding company		
Balance at the beginning of the year	1,092.44	1,390.14
Add/ deletions: Additions during the year	-	(297.70)
Balance at end of the year	**1,092.44**	**1,092.44**
Share-based payments reserve		
Balance at the beginning of the year	143.06	
Add: Share-based payments charged to profit or loss	97.13	136.20
Add: Adjustment for recharge for share-based payments	(121.42)	6.86
Balance at end of the year	**118.77**	**143.06**
Retained earnings		
Balance at the beginning of the year	(870.30)	(2,293.95)
Add: Profit for the year	6,214.57	1,423.65
Balance at end of the year	**5,344.27**	**(870.30)**

Notes to the standalone financial statements

for the year ended March 31, 2023

Other comprehensive income (OCI)

Particulars	As at March 31, 2023	As at March 31, 2022
Remeasurement of post-employment benefit obligations		
Balance at the beginning of the year	(74.06)	(29.86)
Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	24.66	(44.20)
Balance at the end of the year	**(49.40)**	**(74.06)**
Effective portion of cash flow hedges		
Balance at the beginning of the year	86.67	(41.64)
Add: Change in fair value, net of tax	(86.67)	128.31
Balance at the end of the year	**-**	**86.67**
Hedge Reserve - cost of Hedging		
Balance at the beginning of the year	58.04	-
Add: Change in fair value, net of tax	(58.04)	58.04
Balance at the end of the year	**-**	**58.04**
Total Other Equity	**62,726.67**	**56,656.44**

Securities premium

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

Capital reserve on amalgamation

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

Other reserves

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

Retained earnings

Retained earnings mainly represents all current and prior periods profits as disclosed in the statement of profit and loss less dividend distribution, transfers to general reserve.

Other comprehensive income (OCI)

Effective portion of cash flow hedges

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

This mainly represents the net change in fair value of forward element of the hedging instrument.

2.12 Long term Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured From banks		
Rupee term loans	-	54,290.83
Foreign currency non repatriable (FCNR) term loan*	-	15,382.15
Unsecured From banks		
Rupee term loans	34,747.76	-
	34,747.76	**69,672.98**

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

Long-term borrowings in the Company	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
	Secured loans	
Rupee term loans of Rs. NIL (March 31, 2022: 32,232.39 million) from banks for SEIL – P1	The Rupee Term Loans in respect of facility - I and II carry an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year was 7.75% to 9.15% (March 31, 2022: 8.20% to 8.25% p.a.). Rupee Term Loan facility -I from banks are repayable in 79 quarterly structured unequal instalments commenced from December 31, 2016 and Rupee Term Loan facility - II from banks are repayable in 77 quarterly structured unequal instalments commenced from June 30, 2017.	First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of lease land situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL P1. NIL (March 31 2022: 643,970,442) equity shares of Rs.10 each of the Company, fully paid up are pledged by the holding company.
Rupee term loans of Rs. NIL (March 31, 2022: 25,947.69 million) from banks for SEIL - P2	Rupee term loans carry an interest of SBI one year MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.25% to 8.60% (March 31, 2022: 8.20% to 9.15% p.a.). Rupee term loans facilities are repayable in 78 quarterly structured unequal instalments commenced from September 30, 2017	First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL - P2. Further, the holding company has pledged NIL (March 31 2022: 408,480,080) equity shares of Rs. 10 each of the Company for borrowings availed by SEIL – P2 and also have given corporate guarantees to cover the outstanding balance.
Foreign currency non repatriable (FCNR) term loan of Rs. NIL (March 31, 2022: 16,586.88 million) for SEIL - P1 and P2	FCNR term loans tenure is 7 to 365 days from the date of conversion and these loans are repayable in one lump sum on the date of maturity. As per the terms of FCNR term loan agreements, the company can rollover the facility (or) can convert it into Rupee term loans. The business model of the company is either to rollover or conversion into Rupee term loans. The company has classified the borrowings in the financial statements as per the original Rupee term loan agreement and repayments during the year have been honored as per original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost (All in cost is in range of 7.75% to 7.93% (March 31, 2022: 7.42% to 7.93% p.a.). The Company has obtained hedge contract on principle and interest payable.	The FCNR is secured as per the rupee term loan with respective lenders as mentioned above.
	UNSECURED LOANS	
Rupee term loans of Rs. 37,766.73 million (March 31, 2022: NIL) from banks	During the year Rupee term loans carries interest rate in the range of 7.81% to 9.32% p.a) (March 31, 2022: NIL.)	Rupee term loans are secured by corporate guarantee of erstwhile holding company Sembcorp Utilities Pte Ltd.

* As on March 31, 2022, the Company had converted Rupee term loan of Rs. 16,513.18 million of SEIL-P1 for a period of 90 to 363 days.

During the year, the Company has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

Notes to the standalone financial statements

for the year ended March 31, 2023

2.13 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Derivative liabilities on fair valuation of financial instruments^		
Derivatives designated as cash flow hedge		
- Fair value of forward contracts	-	250.50
Others		
Amount payable for purchase of property, plant and equipment [refer note 2.28 (III)]	458.66	453.76
Amount payable for purchase of property, plant and equipment (dues of micro and small enterprises)	0.16	5.20
Interest accrued on borrowings (refer note 2.12)	7.36	3.95
Amount payable for Retention money payable [refer note 2.28 (III)]	7202.36	6,887.61
Accrued employee liabilities	182.40	609.23
Other payables (refer note 2.46)	319.44	-
	8,170.38	**8210.25**

^ The Company exposure to currency and liquidity risk related to above derivative assets are disclosed in note 2.41

2.14 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Provision for employee benefits		
- Gratuity (net) (refer note 2.34 and 2.46)	-	29.13
	-	**29.13**
Current		
Provision for employee benefits		88.94
- Compensated absences (refer note 2.46)	66.88	
	66.88	**88.94**

2.15 Deferred tax liabilities

Deferred tax asset and liabilities attributable to the following

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities on:		
Excess of depreciation on Property, plant and equipment under Income Tax law over depreciation provided in accounts	17,075.94	15,625.43
Fair value adjustment of current investments	1.01	6.71
Unamortised part of prepayment expenses	43.94	76.16
Lease liabilities	10.57	11.23
	17,131.46	**15,719.53**
Deferred tax assets on:		
Allowance for expected credit loss	52.15	294.10
Provision for employee benefits	56.70	168.88
Temporary diff on carrying value of Trade receivables	225.61	-
Interest carried forward under Section 94B of the Income-tax law	2,665.06	3,557.47
Business carry forward loss and Unabsorbed depreciation	10,950.04	10,702.28
Unrealised Forex loss on capital creditor	-	53.64
Lease liability	14.21	15.46
Hedge reserve	-	60.34
	13,963.77	**14,852.17**
Net deferred tax liability/ (asset)	**3,167.69**	**867.36**

Notes to the standalone financial statements
for the year ended March 31, 2023

2.16 Other liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Contract liabilities	42.37	24.71
Dues to statutory authorities	292.56	220.50
Liability towards corporate social responsibility	58.17	12.04
Other payables [refer note 2.28 (III)]	5,558.57	5,558.51
	5,951.67	**5,815.76**

2.17 Short-term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Current maturities of long-term borrowings	-	5,093.98
Working capital demand loans	-	4,749.72
Bills discounting (refer note no. 2.8)	-	2,990.48
Unsecured		
Current maturities of long-term borrowings	3,018.97	-
Working capital demand loans	5,948.00	-
Commercial papers	23,552.94	2,481.84
	32,519.91	**15,316.02**

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

Short-term borrowings in the company	Interest rate and repayment terms of the short-term borrowings	Security terms of the short-term borrowings
	SECURED LOANS	
Working capital demand loans from banks including buyer's credit of Rs. NIL (March 31 2022: 4,749.72 million) for SEIL – P1 and P2	During the year working capital demand loans carries interest rate in the range of 4.80% to 9.10% p.a. (March 31, 2022: 4.00% to 7.00% p.a.) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	Short-term borrowings for SEIL-P1 Secured by mortgage pari passu first charge of registered mortgage of freehold land of 160 sq. mt. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL – P1. Borrowings to the extent of Rs. 2,000 million from Development Bank of Singapore Limited is secured by corporate bank guarantee from Sembcorp Utilities Pte, Ltd. Short-term borrowings for SEIL-P2 Secured by first ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs at Village Zaap, Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL – P2 The fund based working capital facilities from Development Bank of Singapore and Hongkong and Shanghai Banking Corporation Limited are secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd. Federal Bank working capital limits of Rs. 4,000 million is unsecured facility Working Capital limits of Standard Chartered Bank of Rs 3,000 million is secured by Corporate Guarantee of Sembcorp utilities Pte Ltd.

Notes to the standalone financial statements

for the year ended March 31, 2023

Details of securities given, repayment terms and other details are given below: (Contd.)

UNSECURED LOANS		
Working capital demand loans from banks of Rs. 5,948.00 million (March 31, 2022: NIL)	During the year working capital demand loans carries interest rate in the range of 8.00% to 9.65% p.a. (March 31, 2022: NIL) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	Working capital demand loans are secured by Corporate Guarantee of erstwhile holding company Sembcorp utilities Pte Ltd.
Commercial papers of Rs. 23,552.94 million (March 31, 2022: 2,481.84 million).	During the year Commercial paper carries an interest rate in the range of 3.95% to 8.87% p.a. (March 31, 2022: 4.35% to 4.45%).	Commercial papers are secured by Corporate Guarantee of erstwhile holding company Sembcorp utilities Pte Ltd.

The Company has borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed are in agreement with the books of accounts.

During the year, the Company has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

During the year, the Company prepaid its term loans aggregating to Rs. 63,301 million with an intent to simplify the financing terms and reduce the interest cost. Source of funds for prepayment of the above said term loans includes internal accruals, new long-term loans and also bridge finance with issuance of commercial papers of Rs. 20,000 million with maturity of upto 1 year. The Company intends to replace the commercial papers borrowing with funds from long-term sources.

2.18 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues to micro and small enterprises (refer note 2.35)	82.74	25.54
Total outstanding dues to other than micro and small enterprises		
- related parties (refer note 2.42)	-	65.38
- others	5,068.40	4,761.15
	5,151.14	**4,852.07**

Trade payables aging schedule

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding for following periods from due date of payment		
(i) Undisputed micro and small enterprises		
Unbilled payables	49.86	12.12
Not due	32.88	13.42
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**82.74**	**25.54**
(ii) Undisputed Others		
Unbilled payables	4,483.17	3,191.93
Not due	585.23	1,633.10
'Less than 1 year	-	-

Notes to the standalone financial statements
for the year ended March 31, 2023

Trade payables aging schedule (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
1-2 years	-	1.50
2-3 years	-	-
More than 3 years	-	-
Total	**5,068.40**	**4,826.53**

The Company's exposure to currency and liquidity risks related to trade payables are disclosed in note 2.41.
The Company does not have any disputed trade payables outstanding as at March 31, 2023 and March 31, 2022.

2.19 Current tax liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxes (net of advance tax: Rs.63.14 million, (March 31, 2022: Rs. 63.14 million)	149.48	149.48
	149.48	**149.48**

2.20 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of electricity	93,734.04	76,766.78
Other operating revenues:		
-Sale of fly ash	151.96	124.22
	93,886.00	**76,891.00**
a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:		
Contract price	95,355.54	77,193.58
Adjustments for:		
Rebates	(241.42)	(60.85)
Deviation settlement charges	(1,153.96)	(662.27)
Unearned income	-	296.32
Commission/ penalty charges	(226.12)	-
	93,734.04	**76,766.78**
b. Changes in contract liabilities*		
Balance at the beginning of the year	24.71	313.47
Add: Amount received during the year	220.69	166.42
Less: Amount recognised as revenue/other adjustments during the year	(203.03)	(455.18)
Balance at the end of the year	**42.37**	**24.71**

c. Transaction Price - Remaining Performance Obligation

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

d. Refer note 2.32 for Revenue disaggregation by geography

Notes to the standalone financial statements

for the year ended March 31, 2023

2.21 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income from financial assets measured at amortised cost	300.64	264.67
Net gain on financial assets measured at FVTPL	77.39	81.62
Late payment surcharges recovered from customers	2,701.65	989.50
Unwinding of discount on trade & late payment surcharge receivables (refer note 2.48)	1,008.26	-
Insurance claims recovered	43.10	-
Gain on derivative contracts, net at FVTPL	18.70	29.98
Gain on sale of property, plant and equipment, net	-	0.42
Scrap sales	76.81	55.33
Miscellaneous income	0.09	0.18
	4,226.64	**1,421.70**

2.22 Cost of fuel

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Coal and fuel cost	65,178.26	46,729.68
	65,178.26	**46,729.68**

2.23 Transmission charges

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Transmission charges	3,806.83	3,113.82
	3,806.83	**3,113.82**

2.24 Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	1,586.04	2,166.92
Contribution to provident and other funds (refer note 2.34)	93.91	80.83
Employee share based expenses (refer note 2.43)	97.13	136.20
Staff welfare expenses	104.65	92.62
	1,881.73	**2,476.57**

2.25 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on financial liabilities measured at amortised cost	6,485.83	10,187.00
Unwinding of discount on lease liabilities (refer note 2.31)	5.62	6.41
Other borrowing costs	1,464.11	699.31
	7,955.56	**10,892.72**

2.26 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	5,893.65	6,659.90
Depreciation on right to use assets (refer note 2.31)	40.50	27.38
Amortisation on intangible assets	6.61	5.12
	5,940.76	**6,692.40**

Notes to the standalone financial statements
for the year ended March 31, 2023

2.27 Operating and other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores, spares and consumables	877.39	925.86
Repairs and maintenance		
- Buildings and civil works	80.89	50.05
- Plant and equipment	1,083.19	1,058.02
- Others	8.19	14.95
IT maintenance expenses	126.34	125.01
Travelling and conveyance	40.49	21.43
Insurance	429.49	475.62
Vehicle hire charges	57.39	54.62
Security charges	59.42	56.44
Legal and professional expenses (refer note 2.37)	246.65	272.59
Technical support services (refer note 2.46)	111.98	-
Health and safety expenses	50.30	38.15
Expenditure on corporate social responsibility (refer note 2.36)	92.00	52.58
Rates and taxes	20.27	27.32
Rent (refer note 2.31)	2.39	3.56
Training and seminar	6.19	10.92
Printing and stationery	2.89	3.05
Directors' sitting fee	7.79	6.37
Commission charges	151.88	12.13
Communication expenses	14.83	13.50
Advertisement expenses	9.58	6.35
Loss on foreign currency transactions and translation (net)	265.59	132.38
Property, plant and equipment written off	3.25	0.26
Miscellaneous expenses	41.09	38.51
	3,789.47	**3,399.67**

2.28 Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
I) Claims against the Company not acknowledged as debt in respect of:		
(i) Income tax	730.83	730.83
(ii) Stamp duty (refer note a below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax	150.62	150.62
(v) Service tax (refer note b below)	798.13	798.13
(vi) Township construction contract works (refer note c below)	149.92	149.92
(vii) Goods and services tax (refer note d below)	1,108.27	1,108.27
(viii) Others (refer note e, f and g below)	Amount not ascertainable	Amount not ascertainable
	3,224.98	**3,224.98**
II) Bank guarantees with customs and others		
Bank guarantees with customs and excise	3,827.83	8,345.24
Bank guarantees for PPA and other commitments	7,778.18	8,714.90
	11,606.01	**17,060.14**

Notes to the standalone financial statements

for the year ended March 31, 2023

Notes:

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

b. During the previous year, order has been passed by the office of the Principal Commissioner of Central Tax, Hyderabad consequent to the audit memo and show cause notice issued in the previous years towards levy of service tax on liquidated damages claim on EPC Contractor by SEIL. The order was issued for tax demand, interest and penalty of Rs. 796.80 million and Rs. 1.33 million respectively towards service tax on liquidated damages and reimbursement of expenses to SCU respectively. The Company has filed appeal with the appellate tribunal on March 20, 2020 and also deposited 7.5% tax thereon and the hearing is currently awaited. CESTAT vide its order dated April 21, 2023, allowed the appeal in favour of the company in respect of service tax demand of Rs.796.80 million on Liquidated damages. However, the appeal in the matter of applicability of service tax under reverse charge mechanism on reimbursement of expenses to Sembcorp Utilities Pte ltd amounting to Rs. 1.33 Million was rejected.

c. The Company had earlier entered into a contract with a vendor for construction of township at Nellore for an amount of Rs. 454.06 million. The contract was completed on October 31, 2017 and the full and final settlement was agreed with the vendor on December 15, 2017. Final payment was released by the Company on November 15, 2018. During the earlier years, the vendor sought additional compensation of Rs. 149.91 million (approx.) from the Company for additional work executed, damages, loss of profits, recovery of liquidated damages etc., sought appointment of an arbitrator and also filed proceedings application under Section 11 of Arbitration and Conciliation Act, 1996 against the Company before the Hon'ble High Court of Telangana. The Company is contesting the matter and has obtained legal opinion on the validity of the claims. As per the legal opinion, Company has a good arguable case in its favour and no adjustment required in books of accounts.

d. During the year, Assistant Commissioner (State Tax), Nellore in its order has confirmed a demand for Goods & Services Tax (GST) for an amount of Rs. 639.18 million (of which Rs. 366.67 million pertains to FY 2017-18 and Rs. 272.51 million for FY 2018-19) along with interest of Rs. 405.17 million and penalty of Rs. 63.92 million aggregating to a total tax demand of Rs. 1,108.27 million against the earlier Show Cause Notices (SCNs) issued for levy of GST on Transmission charges incurred and reimbursed by the Company. The Company has obtained an expert opinion and filed its reply to the said authorities contending that such transmission charges are not subject to GST. Considering the facts of the case and expert opinion obtained, the company believes it has a good case in its favour and no adjustments are required in the financial statements.

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

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

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

III) Liquidated damages and bank guarantee encashment:

In earlier years the Company raised a claim of Rs. 2,882.50 million and of US$ 9.04 million towards liquidated damages on one of its EPC contractor for delay in the achievement of provisional acceptance for which the Company had to incur additional cost to commence operations and encashed performance bank guarantee of Rs. 516.00 million on April 19, 2017 and Rs. 2,915.00 million on November 3, 2017 respectively. Also, a claim of US $ 40.97 million was raised on EPC equipment suppliers consortium towards the delay in agreed delivery schedule and non-achievement of project provisional acceptance.

The EPC contractor had invoked Arbitration proceedings and filed its statement of claims of Rs. 15,579.00 million with interest. The Company filed its statement of defence along with a counter claim of Rs. 10,127.00 million and US$ 9.04 million.

The tribunal has noted the statements made by the counsels for the parties that they intend to settle certain claims and counter claims and post negotiations they will file application before the tribunal. Based on the statement of defence filed by the Company and legal counsel view, the Company believes it has a good case in its favour and no adjustment is required in the financial statements.

Notes to the standalone financial statements
for the year ended March 31, 2023

IV) Electricity duty demand:

During earlier years, the Company received an intimation from the Chief Electrical Inspector, Government of Andhra Pradesh ('GoAP') , whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to Rs.1,493.62 million. Based on the internal assessment and legal opinion obtained advice received by the Company, the management believes that the provisions of Electricity Duty Act, and Rules, 1939 in respect of payment of electricity duty are not applicable to the Company and accordingly no adjustments has been made in financial statements of the Company for the year ended March 31, 2023.

2.29 Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.463.98 million (March 31, 2022: Rs. 192.07 million).

2.30 Earnings per equity share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net profit for the year	6,214.57	1,423.65
Number of equity shares		
Number of shares at the beginning of the year	5,433,668,574	5,433,668,574
Weighted average number of equity shares outstanding during the year	**5,433,668,574**	**5,433,668,574**
Earnings per equity share (face value of share Rs.10 each)		
- Basic and diluted (refer note below)	1.14	0.26

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

2.31 Right-of-use assets and leases

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

Particulars	Gross carrying amount	Accumulated depreciation	Net carrying amountss
As at March 31, 2023			
Leasehold land	628.57	42.70	585.87
Buildings	103.72	71.46	32.26
Vehicle	11.54	6.72	4.82
Total	**743.83**	**120.88**	**622.95**
As at March 31, 2022			
Leasehold land	622.50	12.93	609.57
Buildings	97.76	63.61	34.15
Vehicle	11.54	3.84	7.70
Total	**731.80**	**80.38**	**651.42**

Lease liability (Financial liability)	As at March 31, 2023	As at March 31, 2022
Present value of lease liability		
Current	19.48	17.49
Non- current	36.99	43.90
Maturity analysis - Undiscounted cash flows		
0 - 1 year	23.06	27.40
1 - 5 years	36.76	51.77
More than 5 years	11.57	18.21

The amount recognised in the statement of profit and loss for the year ended March 31, 2023 for the right-of-use assets and lease liability are as follows:

Notes to the standalone financial statements

for the year ended March 31, 2023

Leasehold land and buildings	Depreciation charged on right-of-use assets	Unwinding of Interest expense on lease liabilities
Vehicle	2.88	0.65
Leasehold land	26.04	0.58
Buildings	11.57	4.39
Total	**40.49**	**5.62**

The amount recognised in the statement of profit and loss for the year ended March 31, 2022 for the right-of-use assets and lease liability are as follows:

Leasehold land and buildings	Depreciation charged on right-of-use assets	Unwinding of Interest expense on lease liabilities
Vehicle	2.88	0.91
Leasehold land	13.13	0.49
Buildings	11.37	5.01
Total	**27.38**	**6.41**

Further, the Company incurred Rs. 2.39 million (March 31, 2022: Rs. 3.56 million) towards expenses relating to short-term leases and leases of low-value assets for the year ended March 31, 2023.

Lease contracts entered by the Company majorly pertains to land taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is Rs. 22.57 million (March 31, 2022: Rs. 17.79 million) for the year ended March 31, 2023.

2.32 Segment reporting

The Company is engaged in the business of generation of power, which in the context of Ind AS 108 - "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Company exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended March 31, 2023 and March 31, 2022 were as follows:

Customer name	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Revenue	%	Revenue	%
Telangana State Government utilities	31,401.97	33.45%	30,226.32	39.37%
Indian Energy Exchange (IEX)	15,978.47	17.02%	22,416.67	29.20%
Andhra Pradesh State Government utilities	10,499.27	11.18%	7,310.80	9.52%
PTC India Limited	16,338.76	17.40%	-	-
Bangladesh Power Development Board	12,359.28	13.16%	10,174.18	13.25%

Geographical segments

Revenues, net	For the year ended March 31, 2023	For the year ended March 31, 2022
India	81,526.72	66,716.82
Bangladesh	12,359.28	10,174.18
Total	**93,886.00**	**76,891.00**

The total of non-current assets other than tax assets, broken down by location of the assets, is shown below:

Non-current assets	As at March 31, 2023	As at March 31, 2022
India	149,637.28	153,589.48
Bangladesh	-	-
Total non-current assets	**149,637.28**	**153,589.48**

Notes to the standalone financial statements
for the year ended March 31, 2023

2.33 Changes in liabilities arising from financing activities

Particulars	Lease liabilities	Borrowings	Total
As at April 1, 2021	**(72.77)**	**(132,372.57)**	**(132,445.34)**
Net cash flows	2.12	46,186.01	46,188.13
Foreign exchange movement and borrowing cost	-	1,197.56	1,197.56
Remeasurement of lease liabilities	2.85	-	2.85
Unwinding of discount on lease liabilities	6.41	-	6.41
As at March 31, 2022	**(61.39)**	**(84,989.00)**	**(85,050.39)**
Net cash flows	22.57	17,736.88	17,759.45
Foreign exchange movement and borrowing cost	-	(15.55)	(15.55)
Remeasurement of lease liabilities	(12.03)	-	(12.03)
Unwinding of discount on lease liabilities	(5.62)	-	(5.62)
As at March 31, 2023	**(56.47)**	**(67,267.67)**	**(67,324.14)**

2.34 Assets and liabilities relating to employee benefits

i. Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contribution to provident fund charged to the statement of profit and loss is Rs. 65.99 million (March 31, 2022: Rs. 65.76 million).

ii. Defined benefit plan

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

A. Funding

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

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

	Particulars	As at March 31, 2023	As at March 31, 2022
B.	**Reconciliation of the present value of defined benefit obligation**		
	Balance at the beginning of the year (As reported earlier)	169.04	103.25
	Current service cost	25.20	17.37
	Interest cost	12.02	7.01
	Benefits paid	(6.94)	(5.06)
	Actuarial (gains)/loss recognised in the comprehensive income		
	- experience adjustments	(3.58)	(0.77)
	- changes in financial assumptions	(2.93)	46.32
	- demographic assumptions	(3.40)	0.92
	Liabilities assumed/ (Settled) (Refer note 2.46)	(33.25)	-
	Balance at the end of the year	**156.16**	**169.04**

Notes to the standalone financial statements

for the year ended March 31, 2023

	Particulars	As at March 31, 2023	As at March 31, 2022
C.	Reconciliation of the present value of plan assets		
	Balance at the beginning of the year	139.91	118.54
	Contributions made into the plan by employer	25.19	16.39
	Benefits paid	(6.94)	(5.06)
	Expected return on plan assets	10.05	8.18
	Actuarial loss on plan assets	(1.86)	1.86
	Balance at the end of the year	**166.35**	**139.91**
	Net defined benefit obligation/(asset)	**(10.19)**	**29.13**
	Disclosure in the balance sheet:		
	Non-current	10.19	(29.13)
	Current	-	-

D. Expense recognized in the statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	25.20	17.37
Interest cost on obligation	12.02	7.01
Interest income on plan assets	(10.05)	(8.18)
	27.17	**16.20**
Remeasurements recognised in Other comprehensive income		
Actuarial loss on defined benefit obligation	(9.91)	46.47
Actuarial loss on planned asset	1.86	(1.86)
	(8.05)	**44.61**

E. Plan assets comprise of the following:

Particulars	As at March 31, 2023	As at March 31, 2022
New Group Gratuity Cash Accumulation Plan with LIC	166.38	139.91

F. Summary of actuarial assumptions

Demographic assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Attrition rate		
21 - 30 years	10.00%	8.00%
31 - 50 years	5.00%	2% - 4%
51 year and above	10.00%	2.00%
Financial assumptions		
Discount rate	7.45%	7.25%
Future salary growth rate	8.00%	8.00%

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

Sensitivity analysis

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

Notes to the standalone financial statements
for the year ended March 31, 2023

Particulars	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
			Increase/(Decrease) in liability		Increase/(Decrease) in liability	
Discount rate	0.50%	0.50%	(6.96)	(9.80)	7.50	10.70
Salary growth rate	0.50%	0.50%	7.43	10.58	(6.95)	(9.78)

G. Asset-liability matching strategy

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

H. Maturity profile of the defined benefit obligation

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

Particulars	As at March 31, 2023	As at March 31, 2022
Within 1 year	12.80	6.29
2 to 5 years	55.03	34.62
6 to 9 years	51.90	59.53
For year 10 and above	250.99	394.95

iii. Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the statement of profit and loss amounting to Rs.Nil million (March 31, 2022: Rs. 29.25 million).

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

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') is not expected to be material.

Particulars	As at March 31, 2023	As at March 31, 2022
the amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	82.74	25.54
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006);	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-

Notes to the standalone financial statements

for the year ended March 31, 2023

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

Particulars	As at March 31, 2023	As at March 31, 2022
The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purposes of disallowances as a deductible expenditure under the MSMED Act, 2006;	-	-

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

2.36 Details of Corporate social responsibility expenditure

As per Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility ('CSR') Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure. Nature of CSR activities are Health, education, Skill and Entrepreneurship Development programmes and Other emergency interventions.

Amount spent during the year on:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent by the Company during the year	92.00	56.11
Less: Excess amount available for set off from FY 2020-21	-	3.53
Net Amount required to be spent by the Company during the year	92.00	52.58
Amount of expenditure incurred during the year relating to F.Y 2021-22	12.04	40.54
Amount of expenditure incurred during the year relating to F.Y 2022-23	33.83	-
Amount of shortfall for the year	58.17	12.04
Amount of cumulative shortfall at the end of the year	58.17	12.04

The Company has incurred Rs. 45.87 million (March 31, 2022: Rs 40.54 million) during the year towards certain activities in relation to Health, education and Skill and Entrepreneurship Development programmes. The shortfall is on account of delay in executing certain ongoing projects and has been deposited with a designated bank account.

2.37 Auditor's remuneration (including taxes)

Particulars	As at March 31, 2023	As at March 31, 2022
- Statutory audit fee	3.63	3.30
- Other services	6.52	6.02
- Reimbursement of expenses	0.67	0.19
	10.82	**9.51**

2.38 Deferred tax

i) Movement in temporary differences

Particulars	As at April 01, 2022	Impact in Profit and loss	Impact in OCI	As at March 31, 2023
Deferred tax liabilities (DTL)				
Excess of depreciation allowable under Income-tax law over depreciation provided in books	15,625.43	1,450.51	-	17,075.94
Unamortised part of borrowing costs	76.16	(32.22)	-	43.94
Fair value adjustment of current investments	6.70	(5.69)	-	1.01
On ROU assets	11.23	(0.66)	-	10.57
	15,719.52	**1,411.94**	-	**17,131.46**

Notes to the standalone financial statements
for the year ended March 31, 2023

2.38 Deferred tax (Contd.)

i) Movement in temporary differences

Particulars	As at April 01, 2022	Impact in Profit and loss	Impact in OCI	As at March 31, 2023
Deferred tax asset (DTA)				
Allowance for expected credit loss	294.09	(241.94)	-	52.15
Provision for employee benefits	168.88	(128.80)	16.61	56.69
Temporary diff on carrying value of Trade receivables	-	225.61	-	225.61
Interest carried forward under Section 94B of the Income-tax law	3,557.47	(892.41)	-	2,665.06
Unabsorbed depreciation/carried forward tax losses	10,702.29	247.76	-	10,950.05
Unrealised Forex loss on capital creditor	53.64	(53.64)	-	-
Lease liability	15.45	(1.24)	-	14.21
On Hedge reserve	60.34	-	(60.34)	-
	14,852.16	**(844.66)**	**(43.73)**	**13,963.77**
Net deferred tax liabilities	**867.36**	**2,256.60**	**43.73**	**3,167.69**

Particulars	As at April 01, 2021	Impact in Profit and loss	Impact in OCI	As at March 31, 2022
Deferred tax liabilities (DTL)			-	15,625.43
Excess of depreciation allowable under Income-tax law over depreciation provided in books	14,229.25	1,396.18	-	76.16
Unamortised part of borrowing costs	104.88	(28.72)	-	6.70
Fair value adjustment of current investments	10.13	(3.43)	-	11.23
On ROU assets	-	11.23	-	15,719.52
	14,344.26	**1,375.26**		
Deferred tax asset (DTA)			-	
Allowance for expected credit loss	195.42	98.67	-	294.09
Provision for employee benefits	46.22	122.66	-	168.88
Interest carried forward under Section 94B of the Income-tax law	3,495.69	61.78	-	3,557.47
Unabsorbed depreciation/carried forward tax losses	10,606.93	95.36	-	10,702.29
Unrealised Forex loss on capital creditor	-	53.64	-	53.64
Lease liability	-	15.45	60.34	15.45
On Hedge reserve	-	-	60.34	60.34
	14,344.26	**447.56**	**(60.34)**	**14,852.16**
Net deferred tax assets	**-**	**927.70**	**(60.34)**	**867.36**

ii) Tax Expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax (credit)	-	(252.15)
Deferred tax expense	2,256.60	927.70
Total	**2,256.60**	**675.55**
Tax effect on items classified under other comprehensive income	**43.73**	**(60.34)**
	2,300.33	**615.21**

Notes to the standalone financial statements
for the year ended March 31, 2023

iii) Reconciliation of effective tax rate

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before tax (a)	8,471.17	2,099.20
Domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	**2,132.02**	**528.33**
Effect of		
Non deductible expenses(i.e., deemed interest expenses masala bond, loss on sale of assets)	23.97	116.13
Deferred Tax asset not created on temporary differences / unabsorbed depreciation or carried forward losses	-	-
Deferred tax not recognised on Capital loss on sale of Investment	-	615.62
Utilisation of unrecognised Deferred tax asset	-	(256.56)
Income taxes related to prior years	-	(252.15)
Others	100.61	(75.82)
Income tax expense (b)	**2,256.60**	**675.55**

2.39 Capital management

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

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

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

Particulars		As at March 31, 2023	As at March 31, 2022
Debt	A	67,267.67	84,989.00
Total equity	B	117,063.36	110,993.13
Total debt and equity		**184,331.03**	**195,982.13**
Debt-to-equity ratio	**(A/B)**	**0.57**	**0.77**

Notes to the standalone financial statements

for the year ended March 31, 2023

2.40 Ratios

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance
a. Current ratio (times)	Current assets	Current liabilities	1.08	1.79	-39%
Decreased due to prepayment of long term borrowings from surplus funds and additional short term borrowings					
b. Debt equity ratio (times)	Total Debt= Long term and short term loan	Total equity	0.57	0.77	-25%
Improvement in debt equity ratio is due to prepayment of rupee term loans in the current year					
c. Debt service coverage ratio (times)	Earnings before interest, depreciation, tax and exceptional item	Interest expense + Principal repayment for the next year of borrowings excluding working capital loan	2.16	1.39	55%
Increase in debt service coverage ratio due to prepayment of rupee term loans in the current year					
d. Return on equity (%)	Net profit after taxes	Average Shareholder's Equity	5.45%	1.29%	322%
Increase in return on equity is due to higher profits in the current year					
e. Inventory turnover ratio (in days)	Cost of fuel & spares consumption	Average Inventory	48	46	5%
f. Trade receivables turnover ratio (in days)	Revenue	Average trade receivables	150	164	-9%
g. Trade payables turnover ratio (in days)	Cost of fuel & Transmission charges	Average trade payables	26	25	8%
h. Net capital turnover ratio (times)	Revenue	Working capital	21.82	2.84	669%
Increased due to prepayment of long term borrowings from surplus funds and additional short term borrowings.					
i. Net profit ratio (%)	Net profit after taxes	Revenue	6.62%	1.85%	258%
Increase in net profit ratio is due to higher profits in the current year					
j. Return on capital employed (%)	Earnings before interest & taxes (EBIT)	Capital employed	8.76%	6.60%	33%
Increase in return on capital employed is due to higher EBIT in the current year					
k. Return on investments (%)	Earnings before interest & taxes	Closing total Assets	7.93%	6.01%	32%
Increase in return on investments is due to higher EBIT in the current year					

Notes to the standalone financial statements

for the year ended March 31, 2023

2.41 Financial instruments - Fair values and risk management

A) Accounting classifications and fair values

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

As at March 31, 2023:

Details	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Investments - Mutual funds	2.7	157.44	-	-	157.44	157.44	-	-
Trade receivables	2.8	-	-	40,493.57	40,493.57	-	-	-
Cash and cash equivalents	2.9	-	-	1,029.92	1,029.92	-	-	-
Other bank balances	2.9	-	-	-	-	-	-	-
Other financial assets	2.3	-	-	2,185.25	2,185.25	-	-	
		157.44	-	**43,708.74**	**43,866.18**	**157.44**	-	
Borrowings	2.12 & 2.17	-	-	67,267.67	67,267.67	-	-	-
Trade payables	2.18	-	-	5,151.14	5,151.14	-	-	-
Lease Liabilities	2.31	-	-	56.47	56.47	-	-	-
Other financial liabilities	2.13	-	-	8,170.38	8,170.38	-	-	-
		-	-	**80,645.66**	**80,645.66**	-		

As at March 31, 2022:

Details	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Investments - Mutual funds	2.7	2,471.30	-	-	2,471.30	2,471.30	-	-
Trade receivables	2.8	-	-	36,785.74	36,785.74	-	-	-
Cash and cash equivalents	2.9	-	-	4,757.98	4,757.98	-	-	-
Other bank balances	2.9	-	-	2,039.50	2,039.50	-	-	-
Other financial assets	2.3	-	-	4,667.25	4,667.25	-	-	
		2,471.30	-	**48,250.47**	**50,721.77**	**2,471.30**	-	
Borrowings	2.12 & 2.17	-	-	84,989.00	84,989.00	-	-	-
Trade payables	2.18	-	-	4,852.07	4,852.07	-	-	-
Lease Liabilities	2.31	-	-	61.39	61.39	-	-	-
Other financial liabilities	2.13	-	250.50	7,959.75	8,210.25	-	250.50	-
			250.50	**97,862.21**	**98,112.71**	-	**250.50**	

Note:

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

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

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

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

Valuation techniques and significant unobservable inputs

Investment in mutual funds:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

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for the year ended March 31, 2023

Forward exchange / option contracts, Swap contracts and Commodity hedge contracts:

Foreign exchange forward/ option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

B) Financial risk management objectives and policies

The Company's activities exposed it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Company's Enterprise Risk Management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Company's liquidity, counterparty risk, foreign exchange and derivative transactions and financing.

The Company uses foreign exchange contracts, foreign exchange swaps, interest rate swaps, and various financial instruments to manage exposures to interest rate and foreign exchange risks arising from operating and financing activities. The Company uses commodity hedge contract to manage exposure for international coal prices. All such transactions must involve underlying assets or liabilities and no speculative transactions are allowed.

The financial authority limits/seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices (coal) will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

(i) Interest rate risk

The Company's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Company's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts and long-term and short-term borrowings.

The Company enters into cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Company's policy the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt.

The Company has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts / options for payments of interest and principle for FCNR term loans.

The Company's borrowings majorly consists of project funding loans and working capital loans having variable rate of interest.

The interest rate profile of the Company's interest-bearing instruments as reported to management is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate instruments		
Long term borrowings	37766.73	74766.96
	37766.73	**74766.96**

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Company's assets are located in India. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Company is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).

The Company evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency swaps to mitigate the exposure.

The summary quantitative data about the Company's exposure to currency risk (based on notional reports) is as follows:

Notes to the standalone financial statements

for the year ended March 31, 2023

2.41 Financial instruments - Fair values and risk management (contd.)

Particulars	Currency	As at March 31, 2023		As at March 31, 2022	
		Indian Rupees	Foreign Currency	Indian Rupees	Foreign Currency
Financial assets					26.19
Trade receivables	USD	10,427.78	126.83	1,985.30	
Total financial assets		**10,427.78**		**1,985.30**	
Financial liabilities					(219.24)
Borrowings - ECB, FCNR and Buyer's credit	USD	-	-	(16,620.31)	(51.70)
Trade payables	USD	(3,025.20)	(36.80)	(3,930.22)	(1.16)
Trade payables	SGD	(133.25)	(2.15)	(64.65)	(52.65)
Other financial liabilities	USD	(4,328.50)	(52.65)	(3,991.04)	
Total financial liabilities		**(7,486.95)**		**(24,606.22)**	
Net financial liabilities		**2,940.83**		**(22,620.92)**	
Less: Derivatives					219.24
Foreign exchange forward contracts (against FCNR)	USD	-	-	16,620.31	
		-		16,620.31	15.45
Net deferred tax liabilities		**2,940.83**	927.70	**(6,000.61)**	3,167.69

Sensitivity analysis:

A reasonably possible strengthening /(weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
As at March 31, 2023	(153.70)	153.70	(153.70)	153.70
As at March 31, 2022	296.80	(296.80)	296.80	(296.80)
SGD (5% movement)				
As at March 31, 2023	6.66	(6.66)	6.66	(6.66)
As at March 31, 2022	3.23	(3.23)	3.23	(3.23)

iii) Derivative financial instruments:

Cash Flow Hedges:

Cross currency interest rate swaps:

The Company has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Company has also entered into interest rate swap contracts, under which the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Commodity hedge contracts:

The Company uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Company to mitigate the risk of changing coal prices and corresponding cash outflows.

Forward contracts:

The Company uses foreign exchange forward contracts to hedge the currency risk on Interest portion of foreign currency denominated loans. These contracts enable the Company to mitigate the risk of change in foreign exchange rates and corresponding cash outflows.

Notes to the standalone financial statements

for the year ended March 31, 2023

Fair value hedges:

Forward contracts

The fair value of foreign exchange contracts which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price.

The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/ (liability) (Rs in million)		Nominal values in Foreign currency (USD)		Nominal values	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Derivatives designated as cash flow hedges: Forward contracts In USD		(-0.82)		1.33		102.07
Derivatives not designated as cash flow hedge: Forward contracts and swaps In USD		(-249.68)		219.23		16976.25

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer, employee or counterparty to a financial instrument fails to meet it contractual obligation leading to financial loss. The Company is exposed to credit risk from its operating activities primarily for trade and unbilled receivables, and from its financing activities, including short-term deposits with banks, and other financial assets.

The carrying amounts of the financial assets as disclosed in note 2.8 represent the maximum credit risk exposure.

Trade receivables and Late payment surcharges receivables

The Company has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e. sale of power. The Company ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Company has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit worthiness of its customers are continuously monitored.

The Company also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of Trade receivables and Late payment surcharges receivables.

Impairment

The movement in Allowance for expected credit loss in respect of Trade receivables and Late payment surcharges receivables during the year is as follows:

Particulars	Allowance for expected credit loss	
	As at March 31, 2023	As at March 31, 2022
Trade receivables and Late payment surcharges receivables		
Balance at the beginning of the year	1,004.01	541.39
Movement in loss allowance	(796.81)	462.62
Balance at the end of the year	**207.20**	**1,004.01**

Notes to the standalone financial statements

for the year ended March 31, 2023

Other financial assets/ derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets are limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks and financial institution, the Company does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Company is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financing activities. The Company's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Company to meet its obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as of the reporting date.

As at March 31, 2023

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	37,774.09	6,436.69	38,577.60	8,818.95	53,833.24
Borrowings - short-term (excluding current maturities)	29,500.94	30,468.37	-	-	30,468.37
Trade payables	5,151.14	5,151.14	-	-	5,151.14
Other financial liabilities (excluding interest accrued on borrowings)	8,163.02	8,163.02	-	-	8,163.02
	80,589.19	**50,219.22**	**38,577.60**	**8,818.95**	**97,615.77**

As at March 31, 2022

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	74,770.91	11,149.66	40,845.47	67,808.77	119,803.90
Borrowings - short-term (excluding current maturities)	10,222.04	10,222.04	-	-	10,222.04
Trade payables	4,864.11	4,864.11	-	-	4,864.11
Other financial liabilities (excluding interest accrued on borrowings)	8,206.30	8,206.30	-	-	8,206.30
	98,063.36	**34,442.11**	**40,845.47**	**67,808.77**	**143,096.35**

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

Notes to the standalone financial statements
for the year ended March 31, 2023

2.42 Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company (Upto January 18, 2023)
Sembcorp Utilities Pte Ltd, Singapore	Holding company (Upto January 18, 2023)
TPCIL Singapore Pte Ltd, Singapore	Subsidiary
Sembcorp Green Infra Limited, India	Subsidiary (Upto December 22, 2021)
Sembcorp Green Infra Limited, India	Entity under common control (w.e.f December 23, 2021 and Upto January 18, 2023)
Sembcorp India Private Limited, India	Entity under common control (Upto January 18, 2023)
Tanweer Infrastructure SAOC., Oman	Holding company (w.e.f January 19, 2023)
Osara Corporation SAOC	Ultimate holding company (w.e.f January 19, 2023)
Wong Kim Yin	Chairman (upto January 20, 2023)
Vipul Tuli	Managing Director (Upto January 18, 2023)
Looi Lee Hwa	Director Upto (November 30, 2022)
Eugene Chee Mun Zheng Zhiwen Cheng	Director (w.e.f May 1, 2021 and upto January 20, 2023)
Juvenil Jani	Chief Financial Officer (Upto December 31, 2022)
Narendra Ande	Company Secretary (upto February 28, 2023)
Tareq Mohamed Sultan Al Mugheiry	Chairman (w.e.f March 02, 2023)
Hamad Mohammad Hamood Al Waheibi	Director (w.e.f March 02, 2023)
Cyrus Erach Cooper	Director (w.e.f January 20, 2023)
Raghav Trivedi	Whole Time Director and CEO (w.e.f January 20, 2023)
Ajay Bagri	Chief Financial Officer (w.e.f January 20, 2023)
Rajeev Ranjan	Company Secretary (w.e.f March 01, 2023)
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director

b) The following are the transactions with related parties during the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent and utility expense		
Sembcorp India Private Limited	16.61	18.83
Consultancy expenses		
Sembcorp India Private Limited	21.67	-
Sembcorp Utilities Pte Ltd	92.41	178.67
Bank guarantee fees/ commission		
Sembcorp Utilities Pte Ltd	-	212.75
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	-	3,140.73
Reimbursement of expenses		
Sembcorp Green Infra Limited	-	0.41
Sembcorp Utilities Pte Ltd	3.68	4.94
Share based expenses reimbursement		
Sembcorp Utilities Pte Ltd	97.13	136.20

Notes to the standalone financial statements

for the year ended March 31, 2023

b) The following are the transactions with related parties during the year (Contd.)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Repayment of INR Denominated notes		
Sembcorp Utilities Pte Ltd	-	42,400.00
Interest paid on INR Denominated notes (Net of TDS)		
Sembcorp Utilities Pte Ltd	-	9,548.63
Sale of investment in subsidiary		
Sembcorp Utilities Pte Ltd	-	52,321.20
Salaries to Key managerial person*		
Vipul Tuli	86.13	155.34
Juvenil Jani	24.32	36.42
Narendra Ande	4.83	6.42
Raghav Trivedi	39.26	-
Ajay Bagri	7.50	-
Rajeev Ranjan	0.80	-
Sitting fees to Directors (including taxes)		
Radhey Shyam Sharma	2.60	2.12
Kalaikuruchi Jairaj	2.60	2.12
Sangeeta Talwar	2.60	2.12

* Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Related party payables		
Sembcorp Utilities Pte Ltd (Trade payables)	-	64.65
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd	-	25,947.69
(Represents the amount of facility outstanding)		

2.43 Share-based Payments

The Company participates in Share based plans of erstwhile ultimate holding company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Restricted Share Plan (SCI RSP) and Performance Share Plan (SCI PSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. The SCI RSP is for directors and employees of the Company, whereas the SCI PSP is primarily for key executives of the Company. The details of share plans are as follows:

a) SCI Restricted Share Plan (RSP)

The number of the restricted share awards granted are based on the achievement of stretched financial and nonfinancial targets for the preceding calendar year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards. For the grant awarded during the year, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

b) SCI Performance Share Plan (PSP)

The SCI PSP is targeted at senior management who shoulder the responsibility for the Company's performance and who are able to drive the growth of the Company to deliver long-term shareholder value. Awards granted under the SCI PSP are performance-based and performance targets set under the SCI PSP are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

Notes to the standalone financial statements

for the year ended March 31, 2023

The following is the summary of movement in RSP and PSP:

Particulars	March 31, 2023		March 31, 2022	
	RSP	PSP	RSP	PSP
Outstanding at the beginning of the year	776,817	3,059,452	990,435	458,752
Granted during the year	375,300	1,130,100	176,422	3,033,800
Vested during the year	(468,983)	(51,600)	(390,040)	(433,100)
Shares for transferred employees	(610,011)	(3,256,200)		
Forfeited / lapsed during the year	(73,123)	(881,752)	-	-
Outstanding at the end of the year	-	-	**776,817**	**3,059,452**

Information on outstanding and exercisable RSP and PSP is as set out below:

Particulars	March 31, 2023		March 31, 2022	
	RSP	PSP	RSP	PSP
Options outstanding at the end of the year				
Number of options outstanding	-	-	776,817	3,059,452
Remaining contractual life in years	-	-	0.00-1.25	0.00-4.06
Risk free interest rate (depending on maturity)	0.00%	0.00%	0.47% – 96%	0.4% – 1.3%
Expected dividend yield shares	0.00%	0.00%	3.50%-4.20%	3.50%-4.20%
Weighted average price (SGD)	2.02	2.11	1.75	1.71

The fair values of the PSP and RSP are estimated using a Monte Carlo simulation at the grant dates. The Company had charged Rs.97.13 million (March 31 2022: Rs. 136.20 million) on account of share based payment based on the fair value of the performance shares and restricted shares at the grant date and is being expensed over the vesting period.

2.44 The Company has accounted Rs 3,848.89 million (March 31, 2022: Rs. 2,525.86 million) as Goods and service tax (GST) input tax credit for claiming refund against export of electricity made to Bangladesh. However, the input tax credit refund has been disputed by GST Authorities primarily for non-submission of shipping bill as a proof of export for which representation has been filed by the Company with Ministry of Finance and seeking assistance from Ministry of Power for resolution of the matter. The Company has also filed writ petitions with High Court of Andhra Pradesh, seeking relief against the order of GST Authorities in which they have rejected GST refund applications of the Company. During the previous year, the Company had also received notice from the office of the Commissioner of Central Tax, Guntur Commissionerate (Anti Evasion) requesting the Company to reverse the input tax credit ('ITC') availed in earlier years. Company had provided relevant replies to the department for the notice so received, stating that the sale of electricity to Bangladesh qualifies as an export and eligible for ITC.

Based on representation from Ministry of Power that there is no requirement of furnishing the shipping bill, Ministry of Finance through GST policy wing has issued a circular number 175/07/2022- GST dated July 06, 2022, prescribing the procedure for filing refund of unutilised input tax credit on account of export of electricity. Company has also received favourable judgement from Hon'ble AP High court for the writ petition filed and with the issuance of this circular, favourable judgement from AP High court and based on legal opinion taken, management is of the view that eligibility of refund has been established and no adjustment is required in the financial statements of the Company for the year ended March 31, 2023.

2.45 During the previous year, the Company pursuant to a share purchase agreement dated December 10, 2021 had sold its 100% investments in Sembcorp Green Infra Limited (SGIL) to erstwhile holding company Sembcorp Utilities Pte Limited (SUPL) for a consideration of Rs. 52,321.20 million and recognised a loss on sale of investment of Rs. 2,446.02 million.

2.46 Pursuant to Share Purchase Agreement (SPA), the erstwhile holding company Sembcorp Utilities Pte. Ltd. (SCU) transferred 100% of it's shareholding in SEIL in favour of Tanweer Infrastructure SAOC, Oman on January 19, 2023. Consequently, the Company is now a wholly owned subsidiary of Tanweer Infrastructure SAOC. The Company entered into a technical service agreement with one of the Indian Subsidiaries of SCU to receive certain services in connection with the operation and maintenance of the Plant. During the year, the Company transferred certain employees to the said Indian subsidiary along with related employee liabilities.

2.47 The Company has assessed the impact of Covid-19 on the financial statements, business operations, liquidity position and cash flows and has concluded no adjustments are required on the carrying amount of assets and liabilities as at March 31,2023. The Company will continue to closely monitor the situation arising on account of Covid-19 pandemic considering both internal and external factors.

2.48 Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (LPSC Rules, 2022) were notified by the Ministry of

Notes to the standalone financial statements

for the year ended March 31, 2023

Power on June 03, 2022 and are applicable to outstanding dues of generating companies. As per the said rules, the total outstanding dues including late payment surcharges upto the date of the said notification were rescheduled and the due dates redetermined for payment by Discoms in equated monthly instalments in the manner prescribed in the said Rules. Necessary adjustments on account of the above has been made in the financial statements towards "Loss on derecognition of financial asset", "Impairment Loss/ (Reversal) on Financial Assets (Net)" and "Unwinding of discount on trade & late payment surcharge receivables (as disclosed in other income)" amounting to Rs. 1,885.67 million, Rs. 364.65 million and Rs. 1,008.26 million respectively. Based on the redetermined due dates, certain receivables which are scheduled to realise beyond 12 months from the balance sheet date are classified as non-current trade receivables.

2.49 As per the Mega Power Projects Policy 2009, the Company needs to enter into a long term PPAs for a minimum of 85% of the net capacity to avail the customs/excise duty benefits for capital equipment procured for power generation. During the previous year, the Company determined that the duty benefit will not be available for Rs. 2,047.64 million due to absence of long term PPAs and consequently provided for the same towards cost of PPE. In case of the remaining unfilled conditions, the Company believes it will be able to comply with the conditions attached to benefit.

2.50 The Board of Directors at its meeting held on May 24, 2023 has declared an interim dividend of Rs. 0.98 (9.8%) per equity share of par value of Rs. 10 each amounting to Rs. 5,325.00 million for the financial year ended March 31, 2023.

2.51 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

2.52 Relationship with struck off companies:

Name of the struck off company	Nature of transaction with struck off company	Balance Outstanding	Relationship with the stuck off company, if any, to be disclosed
Madras Building Products Private Limited	Advance from customer	As at March 31, 2023 - (Nil) As at March 31, 2022 - (0.00)	Not applicable
G8ARK factories private limited	Advance from customer	As at March 31, 2023 - (Nil) As at March 31, 2022 - (0.01)	Not applicable
Omega power erectors private limited	Payable towards repairs and maintenance expense	As at March 31, 2023 - (Nil) As at March 31, 2022 - (0.05)	Not applicable

2.53. Additional regulatory information required by Schedule III

i. There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

ii. The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction of number of Layers) Rules, 2017 during the year ended March 31, 2023 and March 31, 2022.

iii. The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 and March 31, 2022.

iv. Details of benami property held : No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2023 and March 31, 2022.

v. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 and March 31, 2022.

vi. During the year ended March 31, 2023 and March 31, 2022, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii. The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

Notes to the standalone financial statements

for the year ended March 31, 2023

viii. The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix. During the year ended March 31, 2023 and March 31, 2022, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

x. During the year ended March 31, 2023 and March 31, 2022, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

xi. b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: May 24, 2023

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Nellore
Date: May 24, 2023

Consolidated Financial Statements

Independent Auditor's Report

To the Members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiary together referred to as "the Group") (refer note 2.7 to the consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, other than the unaudited financial information as certified by the management and referred to in paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Assessment of the carrying value of property, plant and equipment and goodwill relating to SEIL-P2 of the Holding Company (Refer note 3.2 to the consolidated financial statements) The carrying value of property, plant and equipment (PP&E) and goodwill relating to SEIL-P2 which was acquired by the Holding Company in an earlier year amounts to Rs. 76,500 million and Rs. 1,234 million respectively as at March 31, 2023. The said PP&E are carried at cost less accumulated depreciation. At the end of every reporting period, the Holding Company assesses their carrying values and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', if there is any indication of impairment to the carrying value. Goodwill is carried at cost and is tested annually for impairment. As mentioned in the note 3.2, the Management considers the said PP&E and goodwill as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. During the year, the Holding Company has carried out an impairment assessment by estimating the recoverable amount of the CGU using discounted cash flow model over the remaining useful life of the CGU and comparing the same with its carrying value. Based on their assessment, the management concluded that no provision for impairment was necessary as at March 31, 2023. We considered this a key audit matter given the significance of the carrying value of PP&E and goodwill belonging to the CGU, estimations and the significant judgements involved in respect of key inputs like discount rate, future cash flows for the purpose of impairment assessment.	Our procedures included the following: • Evaluated the Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Company's determination of CGU was consistent with our knowledge of the Company's operations. • Evaluated the Holding Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Holding Company's determination of CGU was consistent with our knowledge of the Company's operations. • Evaluated the cash flow forecasts from our understanding of the internal and external factors, compared them to the budgets, actual past results and other supporting documents. • With the involvement of auditor's experts, assessed the reasonableness of the methodology used, key assumptions considered in the discounted cash flow projections for determining the recoverable value of the CGU. • Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the mathematical accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosures in the consolidated financial statements. Based on the above procedures performed, management's assessment of carrying value of PP&E and goodwill relating to SEIL-P2 are considered to be reasonable.

Other Information

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

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

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

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

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

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. Refer paragraph 14 of the Other Matter section below in respect of a subsidiary whose financial information is unaudited and have been furnished to us by the Management.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

14. We did not audit the financial information of 1 subsidiary whose financial information reflect total assets of Rs. 0.77 million and net assets of Rs. 0.38 million as at March 31, 2023, total revenue of Rs. Nil, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (0.31) million and net cash outflows amounting to Rs. (0.26) million for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group. Our opinion on the consolidated

financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that we have given the following comments in CARO 2020 report dated May 24, 2023 on the standalone financial statements of Holding Company, as reproduced below.

Paragraph No.	Comment in the respective CARO report reproduced below
3(ix)(d)	According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating to Rs. 20,000 millions for long-term purposes for the reasons stated in note 2.17 to the standalone financial statements.

In our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to 1 subsidiary included in these consolidated financial statements.

16. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except that the backup of the books of account and other books and papers maintained in electronic mode by the Holding Company has not been maintained on a daily basis, on servers physically located in India.

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

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

    e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    g. With respect to the maintenance of accounts and other matters connected therewith, we draw reference to our comment in paragraph 16(b) above.

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

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer note 3.38

to the consolidated financial statements.

ii. The Group is not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2023.

iii. During the year ended March 31, 2023, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. (a) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 3.50 to the consolidated financial statements)

(b) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 3.50 to the consolidated financial statements)

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. e Holding Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Holding Company is applicable to the Holding Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

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

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

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRU9799

Place: Gurugram
Date : May 24, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the consolidated financial statements for the year ended March 31, 2023

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) (hereinafter referred to as "the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRU9799

Place: Gurugram
Date : May 24, 2023

Consolidated Balance Sheet

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

Particulars	Note	As at March 31 2023	As at March 31 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	143,292.52	149,039.66
Capital work-in-progress	3.1	306.39	159.48
Goodwill	3.2	1,234.20	1,234.20
Other intangible assets	3.2	12.65	9.95
Financial assets			
Trade receivables	3.9	3,208.67	-
Other financial assets	3.3	1,088.30	2,822.69
Non-current tax assets (net)	3.4	1,075.19	977.66
Other non-current assets	3.6	491.63	320.58
Total non-current assets	3.6	**150,709.55**	**154,564.22**
Current assets			
Inventories	3.7	10,014.36	7,322.49
Financial assets			
Investments	3.8	157.44	2,471.30
Trade receivables	3.9	37,284.90	36,789.76
Cash and cash equivalents	3.10	1,030.69	4,759.01
Bank balances other than cash and cash equivalents	3.10	-	2,039.50
Other financial assets	3.3	1,096.95	1,844.56
Other current assets	3.6	6,748.70	6,267.80
Total current assets		**56,333.04**	**61,494.42**
Total assets		**207,042.59**	**216,058.64**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	3.11	54,336.69	54,336.69
Other equity	3.12	62,724.13	56,654.21
Total equity		**117,060.82**	**110,990.90**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	3.13	34,747.76	69,672.98
Lease liabilities	3.32	36.99	43.90
Provisions	3.15	-	29.13
Deferred tax liabilities (net)	3.5	3,167.69	867.36
Total non-current liabilities		**37,952.44**	**70,613.37**
Current liabilities			
Financial liabilities			
Borrowings	3.17	32,519.91	15,316.02
Lease liabilities	3.32	19.48	17.49
Trade payables	3.18		
Dues to micro and small enterprises		82.74	25.54
Dues to creditors other than micro and small enterprises		5,068.79	4,830.89
Other financial liabilities	3.14	8,170.38	8,210.25
Other current liabilities	3.16	5,951.67	5,815.76
Provisions	3.15	66.88	88.94
Current tax liabilities (net)	3.19	149.48	149.48
Total current liabilities		**52,029.33**	**34,454.37**
Total liabilities		**89,981.77**	**105,067.74**
Total equity and liabilities		**207,042.59**	**216,058.64**
Significant accounting policies	2		

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

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

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Consolidated Statement of Profit and Loss

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

Particulars	Note	For the year ended March 31 2023	For the year ended March 31 2022
Continuing operations			
Income			
Revenue from operations	3.2	93,886.00	76,891.00
Other income	3.21	4,226.64	1,421.07
Total income		**98,112.64**	**78,312.07**
Expenses			
Cost of fuel	3.22	65,178.26	46,729.68
Transmission charges	3.23	3,806.83	3,113.82
Employee benefits expense	3.24	1,881.73	2,476.57
Finance costs	3.25	7,955.56	10,892.72
Depreciation and amortisation expenses	3.26	5,940.75	6,692.40
Impairment Loss/ (Reversal) on Financial Assets (Net)		(796.81)	462.62
Derecognition of financial assets measured at amortised cost		1,885.67	-
Operating and other expenses	3.27	3,789.79	3,399.35
Total expenses		**89,641.78**	**73,767.16**
Profit before tax from continuing operations		**8,470.86**	**4,544.91**
Tax expense	3.28		
Current tax expense		-	-
Current tax adjustment relating to earlier years		-	(252.15)
Deferred tax expense		2,256.60	927.7
Total tax expense		**2,256.60**	**675.55**
Profit after tax from continuing operations		**6,214.26**	**3,869.36**
Discontinued operation	3.37		
Profit/(loss) from discontinued operation before tax		-	2,734.72
Gain on disposal of discontinued operation		-	21,379.67
Tax expense of discontinued operation		-	636.88
Profit/(Loss) for the year from discontinued operation		-	23,477.51
Profit for the year		**6,214.26**	**27,346.87**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligations		8.05	(39.60)
Income tax effect on above item	3.28	16.61	(0.97)
		24.66	**(40.57)**
Items that will be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedge		(115.83)	157.47
Cost of hedging reserve – changes in fair value		31.46	(31.46)
Income tax effect on above item	3.28	(60.34)	60.34
		(144.71)	**186.35**
Total comprehensive income for the year		**6,094.21**	**27,492.65**
Attributable to:			
Shareholders of the Company		6,094.21	27,387.65
Non-controlling interests		-	105.00
		6,094.21	**27,492.65**
Profit for the year attributable to:			
Shareholders of the Company		6,214.26	27,241.98
Non-controlling interests		-	104.89
		6,214.26	**27,346.87**
Other comprehensive income attributable to:			
Shareholders of the Company		(120.05)	145.67
Non-controlling interests		-	0.11
		(120.05)	**145.78**
Earnings per equity share - Continuing and discontinued operation	3.29		
(face value of share Rs.10 each)			
- Basic and diluted (Rs.)		1.14	5.01
Earnings per equity share - Continuing operations	3.29		
(face value of share Rs.10 each)			
- Basic and diluted (Rs.)		1.14	0.71
Earnings per equity share - discontinued operation	3.29		
(face value of share Rs.10 each)			
- Basic and diluted (Rs.)		-	4.30
Significant accounting policies	2		

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

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

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

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Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Consolidated Statement of Cash Flow

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

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
A. Cash flow from operating activities		
Profit before tax from continuing operations	8,470.86	4,544.91
Profit/ (loss) before tax from discontinued operation	-	2,734.72
Gain on disposal of discontinued operation	-	21,379.67
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	5,940.75	10,298.86
Property, plant and equipment written off	3.25	(0.18)
Net unrealised loss/(gain) on foreign exchange fluctuation	356.39	114.07
Impairment Loss/ (Reversal) on Financial Assets (Net)	(796.81)	587.76
Loss on derecognition of financial assets measured at amortised cost	1,885.67	-
Unwinding of discount on trade & late payment surcharge receivables	(1,008.26)	-
Gain on disposal of discontinued operation (refer note-3.37)	-	(21,379.67)
Unrealised loss on derivatives, net	-	36.58
Finance costs	7,955.56	15,310.84
Net gain on financial assets measured at FVTPL	(77.39)	(137.77)
Interest income on bank deposits	(300.64)	(430.91)
Operating cash flows before working capital changes	**22,429.38**	**33,058.88**
Movements in working capital:		
Increase in inventories	(2,691.87)	(2,799.55)
Increase in trade receivables and late payment surcharge receivables	(3,140.83)	(7,406.95)
(Increase)/decrease in financial and non-financial assets	(564.82)	259.54
(Decrease)/ increase in trade payable, other financial liabilities and current liabilities	(26.54)	4,607.71
(Decrease)/increase in provisions	(43.14)	78.29
Cash generated from operations	**15,962.18**	**27,797.92**
Income-tax paid (net of refund)	(97.53)	(89.55)
Net cash generated from operating activities (A)	**15,864.65**	**27,708.37**
B. Cash flows from investing activities		
Payment for purchase of property, plant and equipment and capital work-in-progress	(456.37)	(3,016.58)
Proceeds from sale of property, plant and equipment	-	0.51
Redemption/(Purchase) of mutual funds, net	2,391.25	(121.48)
Maturity/(Investment) in bank deposits, net	3,799.25	(849.91)
Interest income received	366.85	496.76
Acquisition of shares in subsidiaries from non-controlling interest	-	(0.40)
Sale of shares in subsidiaries to non-controlling interest	-	104.00
Cash flows from disposal of discontinued operation, net of cash disposed off (refer note-3.37)	-	48,553.34
Net cash generated from investing activities (B)	**6,100.98**	**45,166.24**

Consolidated Statement of Cash Flow

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

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
C. Cash flows from financing activities		
Proceeds from long-term borrowings	30,000.00	12,150.00
Repayment of long-term borrowings	(67,023.04)	(62,342.26)
Proceeds from short-term borrowings, net	19,286.16	914.44
Repayment of lease liabilities	(10.54)	(40.56)
Finance costs paid	(7,946.53)	(21,988.90)
Net cash used in financing activities (C)	**(25,693.95)**	**(71,307.28)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(3,728.32)	1,567.33
Cash and cash equivalents at the beginning of the year	4,759.01	3,191.68
Cash and cash equivalents at the end of the year	**1,030.69**	**4,759.01**
Components of cash and cash equivalents comprise:		
Balance with scheduled banks		
In current accounts	726.39	444.20
Deposits with original maturity of less than three months	304.30	4,314.81
Total cash and cash equivalents	**1,030.69**	**4,759.01**
The above cash flow includes following related to discontinued operation		
Net cash generated from operating activities	-	11,728.48
Net cash generated from investing activities	-	46,935.14
Net cash used in financing activities	-	(7,634.03)
Net cash generated from discontinued operation	**-**	**51,029.59**

Significant accounting policies (refer note-2)

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Statement of Cash Flow referred to in our report of even date

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

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

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DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Consolidated Statement of Changes in Equity

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

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 1, 2021	5,433,668,574	54,336.69
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2022	**5,433,668,574**	**54,336.69**
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2023	**5,433,668,574**	**54,336.69**

B. Other Equity

Particulars	Reserves and surplus									Other items of other comprehensive income			Equity attributable to the owner of the Company	Non-controlling interest	Total
	Securities premium	Capital reserve on acquisition	Capital reserve	Capital 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, 2021	40,207.03	(14,550.18)	1,121.58	2.18	-	199.00	-	1,399.45	1,132.44	(41.46)	(41.64)	-	29,428.40	132.30	29,560.70
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2021	40,207.03	(14,550.18)	1,121.58	2.18	-	199.00	-	1,399.45	1,132.44	(41.46)	(41.64)	-	29,428.40	132.30	29,560.70
Transfers to reserves (refer note 3.12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in stake of step-down subsidiaries	-	-	-	-	-	-	-	0.60	-	-	-	-	0.60	(1.00)	(0.40)
Share-based payments charged to profit or loss	-	-	-	-	-	-	166.98	-	-	-	-	-	166.98	-	166.98
Adjustment for recharge for share-based payments	-	-	-	-	-	-	2.38	-	-	-	-	-	2.38	-	2.38
Profit for the year	-	-	-	-	-	-	-	-	27,241.98	-	-	-	27,241.98	104.89	27,346.87
Remeasurement of post-employment benefit obligations	-	-	-	-	-	-	-	-	-	(40.68)	-	-	(40.68)	0.11	(40.57)
Hedge reserve	-	-	-	-	-	-	-	-	-	-	128.31	58.04	186.35	-	186.35
Fair value of interest free INR denominated notes from erstwhile holding company (SCU)	-	-	-	-	-	-	-	(297.70)	-	-	-	-	(297.70)	-	(297.70)
Disposal of discontinued operation	-	-	-	(1.17)	125.00	(125.00)	(26.30)	(6.62)	(8.09)	8.08	-	-	(34.10)	(236.30)	(270.40)
Balance as at March 31 2022	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.01**	**125.00**	**74.00**	**143.06**	**1,095.73**	**28,366.33**	**(74.06)**	**86.67**	**58.04**	**56,654.21**	**-**	**56,654.21**

Consolidated Statement of Changes in Equity

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

Particulars	Reserves and surplus									Other items of other comprehensive income			Equity attributable to the owner of the Company	Non-controlling interest	Total
	Securities premium	Capital reserve on acquisition	Capital reserve	Capital redemption reserve	Debenture redemption reserve	General reserve	Share based payments reserve	Other reserves	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging			
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2022	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.01**	**125.00**	**74.00**	**143.06**	**1,095.73**	**28,366.33**	**(74.06)**	**86.67**	**58.04**	**56,654.21**	**-**	**56,654.21**
Transfers to reserves (refer note 3.12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in stake of step-down subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payments charged to profit or loss	-	-	-	-	-	-	97.13	-	-	-	-	-	97.13	-	97.13
Adjustment for recharge for share-based payments	-	-	-	-	-	-	(121.42)	-	-	-	-	-	(121.42)	-	(121.42)
Profit for the year	-	-	-	-	-	-	-	-	6,214.26	-	-	-	6,214.26	-	6,214.26
Remeasurement of post-employment benefit obligations	-	-	-	-	-	-	-	-	-	24.66	-	-	24.66	-	24.66
Hedge reserve	-	-	-	-	-	-	-	-	-	-	(86.67)	(58.04)	(144.71)	-	(144.71)
Balance as at March 31 2023	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.01**	**125.00**	**74.00**	**118.77**	**1,095.73**	**34,580.59**	**(49.40)**	**-**	**-**	**62,724.13**	**-**	**62,724.13**

Significant accounting policies (refer note-2)

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Statement of Cash Flow referred to in our report of even date

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

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Notes to the consolidated financial statements

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

1. Corporate information

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

On October 31, 2018, the Regional Director (RD), Ministry of Corporate Affairs, Hyderabad had approved the scheme of amalgamation (the Scheme) of Sembcorp Gayatri Power Limited (SGPL), one of the wholly owned subsidiary of the Company. The appointed date as per the Scheme was April 01, 2017. Erstwhile SGPL (hereinafter referred to as "SEIL-P2") has been operating and maintaining a 1,320 megawatt (2 X 660 megawatt) coal based thermal power plant at Ananthavaram- Village / Varkavipudi Panchayat, TP Gudur- Mandal,, Nellore District in the state of Andhra Pradesh.. The commercial operations of SEIL-P2 had commenced on November 17, 2016 for unit I and on February 21, 2017 for unit II.

The consolidated financial statements comprise of the Company and its subsidiaries (collectively referred as the 'Group'). Refer note 2.7.

2. Basis of preparation, measurement and significant accounting policies

2.1. Basis of preparation and statement of compliance

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

The consolidated financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on May 24, 2023.

2.2. Functional and presentation currency

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

2.3. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following.

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

2.4. New and amended standards adopted by the Group

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2022:

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

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

Title	Key requirements
Ind AS 16, Property, Plant and Equipment	Proceeds before intended use of property, plant and equipment The amendment clarifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).
Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets	Onerous Contracts – Cost of fulfilling a contract The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.
Ind AS 103, Business combinations	References to the conceptual framework The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
Ind AS 109, Financial Instruments	Fees included in the 10% test for derecognition of financial liabilities The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.5. New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023. The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

2.6. Principles of consolidation

The Group consolidates the entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as disclosed in note 3.48. Subsidiaries are all entities (including structured entities) over which the group has control. Where the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences (other than entities acquired fall under common control) until the date control ceases.

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits / losses, unless cost/revenue cannot be recovered. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The difference between the cost of investment in subsidiaries (investee company) to the Group and the proportionate share in the equity of the investee Company as at the date of acquisition of stake is recognised in the Consolidated Financial Statements as goodwill or capital reserve, as the case may be. Goodwill arising on consolidation is tested for impairment at the Balance Sheet date. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated statement of profit and loss.

The consolidated financial statements are presented, to the extent possible, is in the same format as that adopted by the Company for its standalone financial statements.

2.7. Details of the Group's subsidiaries in the preparation of consolidated financial statements are as follows:

Name of entity	Date of Incorporation	Country of Incorporation	% of Ownership interest and voting power as at	
			March 31 2023	March 31 2022
Direct subsidiaries				
Sembcorp Green Infra Limited (SGIL)*	3 April 2008	India	-	-
TPCIL Singapore Pte. Ltd (TPCIL SG)	18 November 2014	Singapore	100.00%	100.00%
Indirect subsidiaries*				
Green Infra Wind Energy Limited (GIWEL)	June 6, 2005	India	-	-
Green Infra Corporate Solar Limited	September 12, 2011	India	-	-
Green Infra Wind Power Generation Limited	July 4, 2011	India	-	-
Green Infra Wind Ventures Limited (GIWVL)	December 28, 2010	India	-	-
Green Infra Wind Assets Limited (GIWAL)	October 14, 2008	India	-	-
Green Infra Wind Farms Limited	October 14, 2008	India	-	-
Green Infra Wind Power Projects Limited	July 4, 2011	India	-	-
Green Infra Wind Generation Limited	July 4, 2011	India	-	-
Green Infra Solar Energy Limited	April 29, 2010	India	-	-
Green Infra Solar Farms Limited	April 29, 2010	India	-	-
Green Infra Solar Projects Limited	September 12, 2011	India	-	-
Green Infra Wind Energy Asset Limited	September 14, 2011	India	-	-
Green Infra Wind Farm Assets Limited	September 14, 2011	India	-	-
Green Infra Wind Power Limited	May 3, 2010	India	-	-

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

Name of entity	Date of Incorporation	Country of Incorporation	% of Ownership interest and voting power as at	
			March 31 2023	March 31 2022
Green Infra Corporate Wind Limited	October 14, 2008	India	-	-
Green Infra Wind Energy Project Limited	July 4, 2011	India	-	-
Green Infra Renewable Energy Limited	March 2, 2017	India	-	-
Green Infra BTV Limited (GIBTVL)	September 1, 2008	India	-	-
Green Infra Wind Energy Theni Limited	January 6, 2011	India	-	-
Green Infra Wind Power Theni Limited	January 6, 2011	India	-	-
Mulanur Renewable Energy Limited	January 29, 2016	India	-	-
Green Infra Wind Solutions Limited	May 22, 2012	India	-	-
Green Infra Wind Technology Limited	May 22, 2012	India	-	-
Green Infra Wind Limited	February 23, 2011	India	-	-
Green Infra Renewable Projects Limited	February 18, 2020	India	-	-
Green Infra Solar Power Projects Limited	December 12, 2021	India	-	-
Green Infra Solar Generation Limited	December 13, 2021	India	-	-

*During previous year, the Company has sold its investment in equity shares of Sembcorp Green Infra Limited (SGIL) to Sembcorp Utilities Pte Ltd, (SUPL) and accordingly SGIL ceased to be a subsidiary of the Company w.e.f 23 December 2021. As a result, the previous year consolidated financial statements include the financial statements of the Company and SGIL (till the date of disposal) and its foreign subsidiary TPCIL SG. Refer note 3.37 for details.

2.8. Use of estimates and judgements

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

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the consolidated financial statements in the year in which changes are made, if material, their effects are disclosed in the notes to the consolidated financial statements.

Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

i. Impairment of investments

The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

ii. Impairment of trade receivable and unbilled receivables

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

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not contain a significant financing component. For all other

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition

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

The Group reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Refer note 3.1.

iv. Valuation of deferred tax assets and liabilities

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

v. Defined benefit plans

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. Refer note 3.35.

vi. Provisions and contingent liabilities

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

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

vii. Leases

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

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

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

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

viii. Fair value measurement of financial instruments

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

ix. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated remaining useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management. Refer note 3.2.

2.9. Earnings per share

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

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

2.10. Current and non-current classification

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

Assets

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

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

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

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

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

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

All other assets are classified as non-current.

Liabilities

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

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

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

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

iv. the Group does not have an unconditional

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

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

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

All other liabilities are classified as non-current.

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

Operating cycle

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

2.11. Business combinations and goodwill

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

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

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

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

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

ii. Common control business combinations

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

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

2.12. Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

a. represents a separate major line of business or geographic area of operations;

b. is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or

c. is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year. The results of discontinued operations are presented separately in the statement of profit and loss.

2.13. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group is engaged in generation of electricity and revenue from operations are primarily from sale of electricity. Revenue from sale of electricity is recognised net of cash discount, rebate, etc. when the power is supplied as it best depicts the value to the customer and complete satisfaction of performance obligation. Variable Consideration forming part of the total transaction price including compensation on account of change in law will be allocated and recognised when the terms of variable payment relate specifically to the Group's efforts to satisfy the performance obligation i.e. in the year of occurrence of event linked to variable consideration.

The difference between the revenue recognised and amount invoiced has been presented as deferred revenue/ unbilled revenue.

Income from power generation

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

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

Claims i.e. late payment interest/surcharge recoverable from customers, insurance claims and liquidated damages, are accounted for to the extent it is probable that the entity will collect the consideration.

Other Income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss. Dividends are recognised as other income in profit or loss when the right to receive payment is established.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are transferred to receivables when the rights become unconditional.

Trade Receivables

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

Contract Liabilities

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

2.14. Property, plant and equipment (PPE) and depreciation

i. Recognition and measurement

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

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

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

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

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

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

ii. Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is recognised in the carrying amount of the asset when it is probable

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its costs can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The costs of day-to-day servicing of property, plant and equipment are recognised as an expense when incurred.

iii. Depreciation

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

Regulated assets

Depreciation on the renewable power plants included under plant and machinery are provided at the rates as well as methodology notified (i.e. assets is depreciated at the rate of 5.83% per annum for first 12 years from commissioning date of the assets and remaining value of the asset is depreciated over the next 13 years) by the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2012.

Non-regulated assets

Depreciation on property, plant and equipment is provided on straight line method based on the useful life as specified in Schedule II of the Act, except in respect of the following category of assets, in whose case the estimated useful life of the assets has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, residual value etc. Leasehold land and improvements are amortised over the lease-term including the optional period, if any, available to the Group, where it is reasonably certain at the inception of lease that such option would be exercised by the Group.

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	30 years
Renewable power plants (won under competitive bidding)	22 years	30 years
Office equipments	5 years	3 years to 5 years
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

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

iv. De-recognition

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

2.15. Intangible assets

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

Category	Life considered
Computer software	3-5 years
Customer contracts	5 years

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

2. Significant accounting policies (continued)

The intangible assets are amortised over the estimated useful lives as given below:

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

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

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

2.16. Inventories

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

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

2.17. Foreign currency transactions

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

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

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

Under Indian GAAP, paragraph 46/46A of AS 11, The Effects of Changes in Foreign Exchange Rates, provide accounting treatment with respect to exchange differences arising on restatement of long-term foreign currency monetary items. Ind AS 101 provides an optional exemption that allows to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the consolidated financial statements as on transition date. Certain subsidiaries in the Group have had adopted such exemption with respect of long-term foreign currency borrowings taken in past. Therefore, exchange differences (favorable as well as unfavorable) arising in respect of translation/settlement of long-term foreign currency borrowings attributable to the acquisition of a depreciable asset is added or deducted from the cost of the asset, which would be depreciated over the balance life of the asset.

2.18. Employee benefits

Short-term employee benefits

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

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

statement of profit and loss in the period in which the employee renders the related service.

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

Defined benefit plans

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

A net defined benefit asset arise where a defined benefit plan has been overfunded or where actuarial gains have arisen. Such asset is recognised as the future economic benefits are available to the Group in the form of a reduction in future contributions

Defined contribution plans

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

Compensated absences

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

Bonus plans

The Group recognises a liability and an expense for bonus. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

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

2. Significant accounting policies (continued)

Share based payment transactions

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

2.19. Borrowing costs

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

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

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

2.20. Financial instruments

i. Recognition and initial measurement

Financial assets and liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A Financial asset and liability are initially measured at its fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables are initially recognised when they are originated at their transaction price as they do not contain significant financing component.

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

ii. Financial assets - Classification and subsequent measurement:

a. Financial assets at amortised cost

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

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets at fair value through other comprehensive income

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

c. Financial assets at fair value through profit or loss

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

iii. Financial liabilities - Classification and subsequent measurement:

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

a. Financial liabilities at FVTPL

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

b. Other financial liabilities

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

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

iv. De-recognition of financial instruments:

a. Financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

b. Financial liability

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

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

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

v. Offsetting

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

2.21. Derivative financial instruments and hedge accounting

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

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

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

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

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

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

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

ii. Cash flow hedge accounting

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

If the hedging instrument expires or is sold, terminated or exercised, the cumulative

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

2. Significant accounting policies (continued)

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

2.22. Fair value of financial instruments

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

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

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

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

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

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

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

2.23. Impairment

i. Financial assets (other than at fair value)

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

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

ii. Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

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

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

Goodwill has indefinite useful life and tested for impairment annually.

2.24. Leases

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

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

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

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

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

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

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

2.25. Income taxes

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

Current tax

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

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

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

Deferred tax

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

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

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

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

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

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

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

In situations where any entity under the Group is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing

Notes to the consolidated financial statements

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

2. Significant accounting policies (continued)

in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the said company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

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

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

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

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

2.26. Provisions and contingent liabilities

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

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

In case of provision for asset retirement obligation, the Group estimates the expected amount that it may have to incur in respect of asset retirement where the Group has its projects / operations. The management obtains quotes from vendors in respect of the estimated expense that it may have to incur in this respect considering the term of Power Purchase Agreement, lease period and inflation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or

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

2. Significant accounting policies (continued)

a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

2.27. Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

2.28. Cash flow statement

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

2.29. Cash and bank balances

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

SEIL

Notes to the consolidated financial statements

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

3.1 Property, plant and equipment (PPE) and capital work-in-progress

Particulars	Freehold land (owned)	Land (leased)	Roads	Right of use assets (refer note 3.32)	Office building	Factory building	Furniture and fittings	Vehicles	Office equipment	Electrical installations	Plant and machinery	Computers	Leasehold improvements	Total property, plant and equipment	Capital work-in-progress
Gross carrying amount															
Balance as at April 1, 2021	3,965.46	587.25	2,317.81	953.81	1,520.33	796.08	90.58	87.57	214.82	95.93	287,619.58	152.62	37.47	298,439.31	1,001.04
Additions	61.72	0.50	-	2.85	-	3.14	0.11	2.69	12.48	-	3,123.27	19.08	3.12	3,228.96	1,102.88
Disposals/adjustments	-	-	-	(25.47)	-	-	-	(1.68)	-	-	(103.51)	(5.43)	-	(136.09)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,527.33)
Disposal of discontinued operation	(1,392.81)	(587.75)	-	(199.39)	(3.67)	-	-	-	(103.58)	-	(106,289.01)	(41.93)	(40.59)	(108,658.73)	(417.11)
Balance as at March 31 2022	**2,634.37**	**(0.00)**	**2,317.81**	**731.80**	**1,516.66**	**799.22**	**90.69**	**88.58**	**123.72**	**95.93**	**184,350.33**	**124.34**	**-**	**192,873.45**	**159.48**
Additions	-	-	28.23	12.03	13.15	1.84	4.01	2.39	9.00	-	107.53	12.08	-	190.26	303.17
Disposals/adjustments	-	-	-	-	(3.71)	(0.72)	(7.26)	(2.47)	(12.18)	-	(1.10)	(22.22)	-	(49.66)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(156.26)
Disposal of discontinued operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31 2023	**2,634.37**	**(0.00)**	**2,346.04**	**743.83**	**1,526.10**	**800.34**	**87.44**	**88.50**	**120.54**	**95.93**	**184,456.76**	**114.20**	**-**	**193,014.05**	**306.39**
Accumulated depreciation and impairment															
Balance as at April 1, 2021	25.12	131.78	1,159.32	167.81	134.05	156.23	38.77	42.67	160.33	74.07	56,803.01	102.71	18.50	59,014.37	297.86
Depreciation for the year	-	18.60	188.66	41.04	29.75	23.36	9.76	10.00	19.65	7.79	9,917.44	20.65	3.43	10,290.13	-
Disposals/adjustments	-	-	-	(25.47)	-	-	-	(1.60)	-	-	-	(5.12)	-	(32.19)	-
Disposal of discontinued operation	(25.12)	(150.38)	-	(103.00)	(0.94)	-	-	-	(71.68)	-	(25,041.69)	(23.78)	(21.93)	(25,438.52)	(297.86)
Balance as at March 31 2022	**-**	**-**	**1,347.98**	**80.38**	**162.86**	**179.59**	**48.53**	**51.07**	**108.30**	**81.86**	**41,678.76**	**94.46**	**-**	**43,833.79**	**-**
Depreciation for the year	-	-	180.91	40.49	29.53	32.85	9.70	10.05	4.32	1.45	5,610.76	14.09	-	5,934.15	-
Disposals/adjustments	-	-	-	-	(3.53)	(0.69)	(6.67)	(2.22)	(11.53)	-	(0.67)	(21.10)	-	(46.41)	-
Disposal of discontinued operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31 2023	**-**	**-**	**1,528.89**	**120.87**	**188.86**	**211.75**	**51.56**	**58.90**	**101.09**	**83.31**	**47,288.85**	**87.45**	**-**	**49,721.53**	**-**
Net block															
As at March 31 2022	**2,634.37**	**(0.00)**	**969.83**	**651.42**	**1,353.80**	**619.63**	**42.16**	**37.51**	**15.42**	**14.07**	**142,671.57**	**29.88**	**-**	**149,039.66**	**159.48**
As at March 31 2023	**2,634.37**	**(0.00)**	**817.15**	**622.96**	**1,337.24**	**588.59**	**35.88**	**29.60**	**19.45**	**12.62**	**137,167.91**	**26.75**	**-**	**143,292.52**	**306.39**

1. In earlier years, the Group had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited. ('APIIC') for occupation of two tranches of land for SEIL-P1. One tranche of land was transferred to the Group as freehold land. For the other tranche of land, admeasuring Acre 680.55 cents, a lease deed for a period of 21 years was entered with APIIC on 25 November 2009. As per the lease deed, APIIC had agreed to sell the land even during the subsistence of the lease deed on securing necessary clearances and approvals for such sale to the Group on such mutually agreed terms and conditions. Further, in the unlikely event of not transferring the land through sale to the Group, APIIC agreed to renew the lease for a further period on such mutually agreed terms and conditions. All the requirements of the agreement including the payment of consideration of Rs. 612.50 million has been complied with by the Group to purchase the land. The said consideration was paid on 12 November 2009 and the same had been considered as cost of land. The Group had complied with all the requirements for purchase of land and paid the full consideration. The delay from APIIC is of administrative in nature and said sale will happen in due course of time.

During the earlier year, APIIC had raised a demand amounting to Rs. 19.81 million for lease rentals (including interest) pertaining to previous years which was paid by the Group. On transition to Ind AS 116 the Group had categorized the payment of consideration of Rs. 612.50 million as right of use (ROU) assets and recognized the present value of the remaining lease payment as ROU assets and lease liability accordingly and being amortised over its useful life.

Notes to the consolidated financial statements

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

3.1 Property, plant and equipment (PPE) and capital work-in-progress (Contd..)

2. Title deeds of certain portions of land in the name of the Group are under dispute. In respect of such disputes, the Group has been legally advised that it has valid title in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property. (refer note 3.38)

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

4. Refer note 3.38 for contractual commitments and obligations.

5. Capital Work-in-progress details as on March 31, 2023

(a) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	213.97	46.74	33.44	12.24	306.39
Projects temporarily suspended	-	-	-	-	-

(b) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 31, 2023.

Capital Work-in-progress details as on March 31, 2022

(c) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	100.05	39.31	13.81	6.31	159.48
Projects temporarily suspended	-	-	-	-	-

(d) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 31, 2022.

6. Additions in capital work-in-progress includes directly attributable expenses capitalised as under:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Other expenses		
Legal and professional expenses	2.26	3.01
Salaries, allowance and bonus	19.84	31.90
Miscellaneous expenses	-	2.20
Finance costs		
- Finance costs	-	0.37
- Net foreign exchange (gain)/loss (decapitalised)/capitalised in plant and machinery	-	(63.76)
Total	**22.10**	**(26.28)**

Notes to the consolidated financial statements

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

3.2 Other intangible assets and Goodwill

Particulars	Customer contracts	Softwares and licenses	Total of other intangible assets	Goodwill
Gross carrying amount				
Balance as at April 1 2021	32.10	129.84	161.94	1,234.20
Additions	-	4.61	4.61	-
Disposals	(32.10)	-	(32.10)	-
Disposal of discontinued operation	-	(21.23)	(21.23)	
Balance as at March 31 2022	-	113.22	113.22	1,234.20
Additions	-	9.31	9.31	-
Disposals	-	-	-	-
Disposal of discontinued operation	-	-	-	-
Balance as at March 31 2023	**-**	**122.53**	**122.53**	**1,234.20**
Accumulated amortisation				
Balance as at April 1 2021	30.01	111.97	141.98	-
Amortisation for the year	2.09	6.64	8.73	-
Disposals	(32.10)	-	(32.10)	-
Disposal of discontinued operation	-	(15.34)	(15.34)	
Balance as at March 31 2022	-	103.27	103.27	-
Amortisation for the year	-	6.61	6.61	-
Disposals	-	-	-	-
Disposal of discontinued operation	-	-	-	-
Balance as at March 31 2023	**-**	**109.88**	**109.88**	**-**
Net block				
As at March 31 2022	-	9.95	9.95	1,234.20
As at March 31 2023	**-**	**12.65**	**12.65**	**1,234.20**

Assessment of carrying value of goodwill and PPE relating to SEIL P-2:

The carrying value of property, plant and equipment (PPE) and goodwill relating to SEIL-P2 which was acquired by the Group in an earlier year amounting to Rs 76,500.86 million (March 31, 2022: Rs 79,407.83 million) and Rs 1,234.20 (March 31, 2022: Rs 1,234.20 million) respectively.

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

The said PPE and goodwill are considered as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. The recoverable amount of the said CGU is based on discounted value of estimated cash flows over the remaining useful life of 24 years.

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

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

Assumption	Basis
Cash flow projections period	Remaining useful life of PPE assumed 24 years (March 31, 2022: 25 years) Refer note 3.1 for change in useful of PPE
Weighted average cost of capital % (WACC) post tax	10.58% (March 31 2022: 9.38%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

As at March 31, 2023 the estimated recoverable amount of the CGU exceeds its carrying amount and accordingly no adjustment is required to such carrying amount. The management has also performed sensitivity analysis of the key assumptions applied and no impairment would need to be recognised in the event of a reasonable change in the underlying key assumptions as there exists significant headroom between the recoverable amount and carrying amount.

Notes to the consolidated financial statements

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

3.3 Other financial assets

	As at March 31 2023	As at March 31 2022
(Unsecured considered good, unless otherwise stated)		
Non-current		
Security deposits	10.59	10.67
Others:		
Margin money deposits and other deposits with banks*	985.60	2,745.35
Interest accrued on bank deposits	23.21	66.67
Late payment surcharge receivables	68.90	-
	1,088.30	**2,822.69**
Current		
Others:		
Interest accrued on bank deposits	0.65	23.40
Late payment surcharge receivables	1,096.30	1,821.16
	1,096.95	**1,844.56**

* includes reserved against margin money for bank guarantees, other commitments and debt service reserves on long-term borrowings.

3.4 Non-current tax assets

	As at March 31 2023	As at March 31 2022
(Unsecured considered good, unless otherwise stated)		
Advance income taxes (net of provision for tax)	1,075.19	977.66
	1,075.19	**977.66**

3.5 Deferred tax assets and liabilities

i) Deferred tax asset and liabilities attributable to the following

	As at March 31 2023	As at March 31 2022
Deferred tax liabilities:		
Excess of depreciation on Property, plant and equipment under Income Tax law over depreciation provided in accounts	17,075.94	15,625.43
Fair value adjustment of current investments	1.01	6.71
Unamortised part of prepayment expenses	43.94	76.16
	17,120.89	**15,708.30**
Deferred tax assets:		
Allowance for expected credit loss	52.15	294.10
Lease liabilities (net)	3.64	4.23
Temporary diff on carrying value of trade receivables	225.61	-
Expenses to be allowed as deductible in future	2,721.76	3,779.99
Hedge reserve	-	60.34
Business carry forward loss and Unabsorbed depreciation	10,950.04	10,702.28
	13,953.20	**14,840.94**
Net deferred tax liabilities	**3,167.69**	**867.36**

Classification of deferred tax assets and liabilities:

Particulars	As at March 31 2023	As at March 31 2022
Deferred tax liabilities (net)	3,167.69	867.36
	3,167.69	**867.36**

Notes to the consolidated financial statements

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

3.5 Deferred tax assets and liabilities (Continued)

ii) Movement in temporary differences

Particulars	As at April 1, 2022	Impact in Statement of profit and loss	Impact in other comprehensive income	Disposal of discontinued operation	As at March 31, 2023
Deferred tax liabilities on:					
Excess of depreciation allowable under Income-tax law over depreciation provided in books	15,625.43	1,450.51	-	-	17,075.94
Fair value adjustment of current investments	6.71	(5.70)	-	-	1.01
Unamortised part of prepayment expenses	76.16	(32.22)	-	-	43.94
Total deferred tax liabilities	**15,708.30**	**1,412.59**	**-**	**-**	**17,120.89**
Deferred tax assets on:					
Allowance for expected credit loss	294.10	(241.95)	-	-	52.15
Lease liabilities	4.23	(0.59)	-	-	3.64
Temporary diff on carrying value of trade receivables	-	225.61	-	-	225.61
Expenses to be allowed as deductible in future	3,779.99	(1,074.84)	16.61	-	2,721.76
Hedge reserve	60.34	-	(60.34)	-	-
Business carry forward loss and Unabsorbed depreciation	10,702.28	247.76	-	-	10,950.04
Total deferred tax assets	**14,840.94**	**(844.01)**	**(43.73)**	**-**	**13,953.20**
Net deferred tax assets and liabilities	**867.36**	**2,256.60**	**43.73**	**-**	**3,167.69**

Particulars	As at April 1, 2021	Impact in Statement of profit and loss	Impact in other comprehensive income	Disposal of discontinued operation	As at March 31, 2022
Deferred tax liabilities on:					
Excess of depreciation allowable under Income-tax law over depreciation provided in books	22,215.32	2,629.36	-	(9,219.25)	15,625.43
Fair value adjustment of current investments	13.42	(2.20)	-	(4.51)	6.71
Unamortised part of prepayment expenses	209.05	(11.44)	-	(121.45)	76.16
Unamortised part of borrowing costs	106.55	(105.03)	-	(1.52)	-
Fair value adjustment of derivatives	4.15	(4.15)	-	-	-
Total deferred tax liabilities	**22,548.49**	**2,506.54**	**-**	**(9,346.73)**	**15,708.30**
Deferred tax assets on:					
Provision for asset retirement obligation	81.47	6.04	-	(87.51)	-
Allowance for expected credit loss	250.38	128.48	-	(84.76)	294.10
Lease liabilities	39.91	1.15	-	(36.83)	4.23
Operation and maintenance expenses equalization	134.79	(17.50)	-	(117.29)	-
MAT credit entitlement	586.24	41.73	-	(627.97)	-
Expenses to be allowed as deductible in future	3,571.70	258.85	(0.97)	(49.59)	3,779.99
Hedge reserve	-	-	60.34	-	60.34
Business carry forward loss and Unabsorbed depreciation	17,403.26	566.58	-	(7,267.56)	10,702.28
Total deferred tax assets	**22,067.75**	**985.33**	**59.37**	**(8,271.51)**	**14,840.94**
Net deferred tax liabilities	**480.74**	**1,521.21**	**(59.37)**	**(1,075.22)**	**867.36**

Notes to the consolidated financial statements

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

3.6 Other assets

	As at March 31 2023	As at March 31 2022
(Unsecured considered good, unless otherwise stated)		
Non-current		
Capital advances	270.22	183.17
Less: Provision for capital advance	(5.06)	(5.06)
Balance with government authorities paid under protest (refer note 3.38)	197.31	119.98
Contribution to gratuity fund (net) (refer note 3.35)	10.19	-
Prepayments	18.97	22.49
	491.63	**320.58**
Current		
Advance to suppliers	2,551.80	3,291.59
Balance with government authorities (refer note 3.40)	3,851.71	2,527.95
Prepayments	345.19	448.26
	6,748.70	**6,267.80**

3.7 Inventories

	As at March 31 2023	As at March 31 2022
(Valued at lower of cost and net realisable value)		
Coal and Fuel*	7,619.28	5,053.01
Stores and spares	2,395.08	2,269.48
	10,014.36	**7,322.49**

* includes materials-in-transit amounting to Rs.3,455.14 million, (March 31, 2022: Rs. 3,244.39 million).

3.8 Current investments

	Number of units		As at	
	March 31 2023	**March 31 2022**	**March 31 2023**	**March 31 2022**
Investment in mutual funds (debt securities)				
Quoted, valued at fair value through profit or loss				
IDFC Cash Fund-Direct Plan-Growth	-	206,348	-	530.51
UTI Liquid Cash Fund-Direct Plan-Growth	-	144,422	-	503.75
Axis Liquid Fund-Direct Plan-Growth	-	184,487	-	436.14
SBI Liquid Fund-Direct Plan-Growth	44,680	148,770	157.44	495.86
Nippon India liquid fund -Direct plan-Growth	-	96,973	-	505.04
			157.44	**2,471.30**
Aggregate fair value and market value of quoted investments			157.44	2,471.30
Aggregate provision for impairment in value of investments			-	-

Notes to the consolidated financial statements

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

3.9 Trade receivables

	As at March 31 2023	As at March 31 2022
(Unsecured, considered good)		
Trade receivables		
Non-current		
- Billed^	3,215.18	-
Less: allowance for expected credit loss	(6.51)	-
	3,208.67	-
Current		
- Billed^	31,230.35	32,759.67
- Unbilled*	6,255.24	5,034.10
Total	**37,485.59**	**37,793.77**
Less: allowance for expected credit loss	(200.69)	(1,004.01)
	37,284.90	**36,789.76**
Break-up of security details		
Trade receivables considered good – unsecured	40,700.77	37,793.77
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**40,700.77**	**37,793.77**
Less: allowance for expected credit loss	(207.20)	(1,004.01)
	40,493.57	**36,789.76**

Trade receivables aging schedule

	As at March 31 2023	As at March 31 2022
Outstanding for following periods from due date of receipt		
(i) Undisputed Trade receivables – considered good		
Unbilled receivables	6,255.24	5,034.10
Not due	24,450.61	4,122.12
Less than 6 months	9,807.38	15,894.52
6 months -1 year	27.09	6,078.97
1-2 years	28.40	5,976.68
2-3 years	97.79	5.66
More than 3 years	34.26	681.72
Total	**40,700.77**	**37,793.77**

* The receivable is 'unbilled' because the group has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person nor any trade receivables are due from firms or private companies in which any director is a partner, a director or a member.'The Group's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 3.30.

^ Includes receivables against which the Group holds revolving letter of credit from customers.

Previous year carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Group considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

The relevant carrying amounts are as follows:

Particulars	As at March 31 2023	As at March 31 2022
Total transferred trade receivables	-	2,990.48
Associated secured borrowing (refer note 3.17)	-	2,990.48

Notes to the consolidated financial statements

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

3.10 Cash and bank balances

	As at March 31 2023	As at March 31 2022
Cash and cash equivalents:		
Balance with banks:		
On current accounts	726.39	444.20
Deposits with original maturity of less than three months	304.30	4,314.81
	1,030.69	**4,759.01**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date	-	2,039.50
	-	**2,039.50**

3.11 Equity Share capital

	As at March 31 2023	As at March 31 2022
Authorised		
Equity shares		
15,000,000,000 (March 31 2022: 15,000,000,000) number of equity shares of Rs.10 each	150,000.00	150,000.00
	150,000.00	**150,000.00**
Issued, Subscribed and fully paid up		
5,433,668,574 (March 31 2022: 5,433,668,574) number of equity shares of Rs.10 each, fully paid up (refer note below)	54,336.69	54,336.69
	54,336.69	**54,336.69**

(i) Movements in equity share capital:

	As at March 31 2023		As at March 31 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Outstanding at the beginning of the year	5,433,668,574	54,336.69	5,433,668,574	54,336.69
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

(ii) Shares held by the holding company

	As at March 31 2023		As at March 31 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	-	5,433,668,574	54,336.69
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	54,336.69	-	-
Outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

(iii) Details of shareholders holding more than 5% shares in the company

Name of shareholders	As at March 31 2023		As at March 31 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	-	5,433,668,574	100.00%
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	100.00%	-	-

Notes to the consolidated financial statements

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

3.11 Equity Share capital (Continued)

(iv) Details of shareholding of Promoters

Name of shareholders	As at March 31 2023		As at March 31 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	-	5,433,668,574	100.00%
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	100.00%	-	-

Refer note 3.43

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

Terms and rights attached to equity shares:

Equity shares of the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.12. Other equity

	As at March 31 2023	As at March 31 2022
Securities premium		
Balance at the beginning of the year	40,207.03	40,207.03
Add: Additions during the year	-	-
Less: Disposal of discontinued operation	-	-
Balance at the end of the year	**40,207.03**	**40,207.03**
Capital reserve on acquisition		
Balance at the beginning of the year	(14,550.18)	(14,550.18)
Add: Additions during the year	-	-
Less: Disposal of discontinued operation	-	-
Balance at the end of the year	**(14,550.18)**	**(14,550.18)**
Capital reserve		
Balance at the beginning of the year	1,121.58	1,121.58
Add: Additions during the year	-	-
Less: Disposal of discontinued operation	-	-
Balance at the end of the year	**1,121.58**	**1,121.58**
Capital redemption reserve		
Balance at the beginning of the year	1.01	2.18
Add: Transfers from retained earnings	-	-
Less: Disposal of discontinued operation	-	(1.17)
Balance at the end of the year	**1.01**	**1.01**
Debenture redemption reserve		
Balance at the beginning of the year	125.00	-
Adjustment due to disposal of discontinued operation	-	125.00
Balance at the end of the year	**125.00**	**125.00**
General reserve		
Balance at the beginning of the year	74.00	199.00
Less: Disposal of discontinued operation	-	(125.00)
Balance at the end of the year	**74.00**	**74.00**

Notes to the consolidated financial statements

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

3.12. Other equity (Continued)

	As at March 31 2023	As at March 31 2022
Share-based payments reserve		
Balance at the beginning of the year	143.06	-
Add: Share-based payments charged to profit or loss	97.13	166.98
Add: Adjustment for recharge of share-based payments	(121.42)	2.38
Less: Disposal of discontinued operation	-	(26.30)
Balance at the end of the year	**118.77**	**143.06**
Other reserves		
Balance at the beginning of the year	1,095.73	1,399.45
Add: Adjustments due to change in stake of step-down subsidiaries	-	0.60
Add: Fair value of interest free INR denominated notes from erstwhile holding company	-	(297.70)
Less: Disposal of discontinued operation	-	(6.62)
Balance at the end of the year	**1,095.73**	**1,095.73**
Retained earnings		
Balance at the beginning of the year	28,366.33	1,132.44
Less: Transfers to capital redemption reserve	-	-
Add: Profit for the year	6,214.26	27,241.98
Less: Disposal of discontinued operation	-	(8.09)
Balance at the end of the year	**34,580.59**	**28,366.33**
Other items of other comprehensive income		
Remeasurement of post-employment benefit obligations		
Balance at the beginning of the year	(74.06)	(41.46)
Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	24.66	(40.68)
Less: Disposal of discontinued operation	-	8.08
Balance at the end of the year	**(49.40)**	**(74.06)**
Effective portion of cash flow hedges		
Balance at the beginning of the year	86.67	(41.64)
Add: Change in fair value, net of tax	(86.67)	128.31
Balance at the end of the year	**-**	**86.67**
Hedge Reserve - cost of Hedging		
Balance at the beginning of the year	58.04	-
Add: Change in fair value, net of tax	(58.04)	58.04
Balance at the end of the year	-	58.04
Total other equity	**62,724.13**	**56,654.21**

Nature and purpose of other equity

Securities premium

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

Capital reserve on acquisition

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

Capital reserve

Capital reserve is the excess of fair value of net identified assets acquired over the purchase consideration of the business acquired by the Group from other than business combination of entities under common control.

Notes to the consolidated financial statements

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

3.12. Other equity (Continued)

Capital redemption reserve

Capital redemption reserve represents amounts set aside out of retained earnings on redemption of preference shares by one of the subsidiary Green Infra Wind Farm Limited. These represent the pre-acquisition reserves and are continued to be retained after loss of control of subsidiary (refer note-3.37).

Debenture redemption reserve

In earlier year, one of the subsidiary, GIWFAL allotted 500, 12% non-convertible debentures of face value of Rs. 1.00 million each. GIWFAL had transferred Rs. 125.00 million to 'Debenture redemption reserve' (DRR) out of profits available for distribution of dividends, as required under section 71 of the Companies Act, 2013. These represent the pre-acquisition reserves and are continued to be retained after loss of control of subsidiary (refer note-3.37).

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to retained earnings.

Share based payments reserve

Shae based payments reserve represents expense recognised over the vesting period of the awards during which the employees provide the relevant services, based on grant-date fair value of equity-settled share-based payment arrangements.

Other reserves

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

Retained earnings

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

Other items of other comprehensive income
Remeasurement of post-employment benefit obligations

Remeasurement of post-employment benefit obligations represents remeasurement gain/(loss) relating of post-employment benefit obligations.

Effective portion of cash flow hedges

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

Hedge reserve-Cost of Hedging

This mainly represents the net change in fair value of forward element of the hedging instrument.

3.13 Long-term borrowings

Particulars	As at March 31 2023	As at March 31 2022
Secured From banks		
Rupee term loans	-	54,290.83
Foreign currency non repatriable (FCNR) term loan*	-	15,382.15
Unsecured From banks		
Rupee term loans	34,747.76	-
	34,747.76	**69,672.98**

Notes to the consolidated financial statements

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

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

Long-term borrowings in the Group^	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
	SECURED LOANS	
Rupee term loans of Nil (March 31 2022: 32,232.39 million) from banks for SEIL – P1	The Rupee Term Loans in respect of facility - I and II carry an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year was 7.75% to 9.15% (March 31, 2022: 8.20% to 8.25% p.a.). Rupee Term Loan facility -I from banks are repayable in 79 quarterly structured unequal instalments commenced from December 31, 2016 and Rupee Term Loan facility - II from banks are repayable in 77 quarterly structured unequal instalments commenced from June 30, 2017.	Nil (March 31 2022: First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of lease land situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL P1). Nil (March 31 2022: 643,970,442) equity shares of Rs.10 each of the Company, fully paid up are pledged by the holding company.
Rupee term loans of Nil (March 31 2022: 25,947.69 million) from banks for SEIL - P2	Rupee term loans carry an interest of SBI one year MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.25% to 8.60% (March 31, 2022: 8.20% to 9.15% p.a.). Rupee term loans facilities are repayable in 78 quarterly structured unequal instalments commenced from September 30, 2017	Nil (March 31 2022: First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL - P2). Further, the holding company has pledged Nil (March 31 2022: 408,480,080) equity shares of Rs. 10 each of the Company for borrowings availed by SEIL – P2 and also have given corporate guarantees to cover the outstanding balance.
Foreign currency non repatriable (FCNR) term loan of Nil (March 31 2022: 16,586.88 million) for SEIL - P1 and P2	FCNR term loans tenure is 7 to 365 days from the date of conversion and these loans are repayable in one lump sum on the date of maturity. As per the terms of FCNR term loan agreements, the Group can rollover the facility (or) can convert it into Rupee term loans. The business model of the Group is either to rollover or conversion into Rupee term loans. The Group has classified the borrowings in the financial statements as per the original Rupee term loan agreement and repayments during the year have been honored as per original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost (All in cost is in range of 7.75% to 7.93% (March 31, 2022: 7.42% to 7.93% p.a). The Group has obtained hedge contract on principle and interest payable.	Nil (March 31 2022: The FCNR is secured as per the rupee term loan with respective lenders as mentioned above.)
UNSECURED LOANS		
Rupee term loans of Rs. 37,766.73 million (March 31, 2022: NIL) from banks	During the year loans Rupee term carries interest rate in the range of 7.81% to 9.32% p.a.) (March 31, 2022: NIL.)	These rupee term loans are secured by Corporate Guarantee of Sembcorp utilities Pte Ltd. (March 31, 2022: Nil)

* As on March 31, 2022, the Group had converted Rupee term loan of Rs. 16,513.18 million of SEIL-P1 for a period of 90 to 363 days.

During the year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

^Amounts outstanding for loans in SGIL and its subsidiaries as at March 31, 2022 is Nil due to discontinued operation (refer note 3.37)

Notes to the consolidated financial statements

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

3.14 Other financial liabilities

	As at March 31 2023	As at March 31 2022
Current		
Amount payable for purchase of property, plant and equipment [refer note 3.38 (III)]	458.66	453.76
Amount payable for purchase of property, plant and equipment (dues of micro and small enterprises)	0.16	5.20
Interest accrued on borrowings	7.36	3.95
Retention money payable [refer note 3.38 (III)]	7,202.36	6,887.61
Accrued employee liabilities	182.40	609.23
Other payables (refer note 3.43)	319.44	-
Derivative liabilities on fair valuation of financial instruments^		
Derivatives not designated as cash flow hedge		
- Fair value of forward contracts	-	250.50
	8,170.38	**8,210.25**

^The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 3.30.

3.15 Provisions

	As at March 31 2023	As at March 31 2022
Non-current		
Provision for employee benefits		
- Gratuity (net) (refer note 3.35 and 3.43)	-	29.13
	-	**29.13**
Current		
Provision for employee benefits		
- Compensated absences (refer note 3.43)	66.88	88.94
	66.88	**88.94**

	As at March 31 2023	As at March 31 2022
Subnote:		
Movement in provision for asset retirement obligation is as follows:		
At the beginning of the year	-	316.84
Movement in provision during the year (including unwinding of interest)	-	(316.84)
At the end of the year	**-**	**-**

3.16 Other liabilities

	As at March 31 2023	As at March 31 2022
Current		
Contract liabilities	42.37	24.71
Dues to statutory authorities	292.56	220.50
Liability towards corporate social responsibility	58.17	12.04
Other payables [refer note 3.38 (III)]	5,558.57	5,558.51
	5,951.67	**5,815.76**

3.17 Short-term borrowings

	As at March 31 2023	As at March 31 2022
Secured		
Current maturities of long-term borrowings	-	5,093.98
Working capital demand loans	-	4,749.72
Bills discounted (refer note no. 3.9)	-	2,990.48
Unsecured		
Current maturities of long-term borrowings	3,018.97	-
Working capital demand loans	5,948.00	-
Commercial papers	23,552.94	2,481.84
	32,519.91	**15,316.02**

Notes to the consolidated financial statements

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

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

Short-term borrowings in the Group^	Interest rate and repayment ter ms of the short-term borrowings	Security terms of the short-term borrowings
SECURED LOANS		
Working capital demand loans from banks including buyer's credit of Nil (March 31 2022: 4,749.72 million) for SEIL – P1 and P2	During the year working capital demand loans carries interest rate of 4.80% to 9.10% (March 31, 2022: 4.00% to 7.00% p.a.) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	Short-term borrowings for SEIL-P1 Nil (March 31,2022: Secured by mortgage pari passu first charge of registered mortgage of freehold land of 160 sq. mt. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL – P1. Borrowings to the extent of Rs. 2,000 million from Development Bank of Singapore Limited is secured by corporate bank guarantee from Sembcorp Utilities Pte, Ltd.) Short-term borrowings for SEIL-P2 Nil (March 31, 2022: Secured by first ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs at Village Zaap, Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL – P2 The fund based working capital facilities from Development Bank of Singapore and Hongkong and Shanghai Banking Corporation Limited are secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd. Federal Bank working capital limits of Rs. 2,000 million is unsecured facility Working Capital limits of Standard Chartered Bank of Rs 3,000 million is secured by Corporate Guarantee of Sembcorp utilities Pte Ltd.)
UNSECURED LOANS		
Working capital demand loans from banks of Rs. 5,948.00 million (March 31, 2022: Nil)	During the year working capital demand loans carries interest rate in the range of 8.00% to 9.65% p.a. (March 31, 2022: Nil) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	These working capital demand loans are secured by Corporate Guarantee of Sembcorp utilities Pte Ltd. (March 31, 2022: Nil)
Commercial papers of Rs. 23,552.94 million (March 31 2022: Rs. 2,481.84 million) for SEIL – P1	Commercial paper carries an interest rate in the range of 3.95% to 8.87% p.a. (March 31 2022: 4.35% to 4.45% p.a.).	These commercial papers are secured by Corporate Guarantee of Sembcorp utilities Pte Ltd. (March 31, 2022: Unsecured).

The Group has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed are in agreement with the books of accounts.

During the year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

^Amounts outstanding for loans in SGIL and its subsidiaries as at March 31, 2022 is Nil due to discontinued operation (refer note 3.37).

During the year, the Company prepaid its term loans aggregating to Rs. 63,301 million with an intent to simplify the financing terms and reduce the interest cost. Source of funds for prepayment of the above said term loans includes internal accruals, new long-term loans and also bridge finance with issuance of commercial papers of Rs. 20,000 million with maturity of upto 1 year. The Company intends to replace the commercial papers borrowing with funds from long-term sources.

Notes to the consolidated financial statements

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

3.18 Trade payables

	As at March 31 2023	As at March 31 2022
Total outstanding dues to micro and small enterprises	82.74	25.54
Total outstanding dues to other than micro and small enterprises		
- related parties (refer note 3.36)	-	65.38
- others	5,068.79	4,765.51
	5,151.53	**4,856.43**

The Group's exposure to currency and liquidity risks related to trade payables are disclosed in note 3.30.
The Group does not have any disputed trade payables outstanding as at March 31, 2023 and March 31, 2022.

Trade payables aging schedule

	As at March 31 2023	As at March 31 2022
Outstanding for following periods from due date of payment		
(i) Undisputed micro and small enterprises		
Unbilled payables	49.86	12.12
Not due	32.88	13.42
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**82.74**	**25.54**
(ii) Undisputed Others		
Unbilled payables	4,483.56	3,195.93
Not due	585.23	1,633.10
Less than 1 year	-	-
1-2 years	-	1.50
2-3 years	-	-
More than 3 years	-	-
Total	**5,068.79**	**4,830.53**

3.19 Current tax liabilities

	As at March 31 2023	As at March 31 2022
Provision for taxes (net of advance tax: Rs.63.14 million, (March 31, 2022: Rs. 63.14 million)	149.48	149.48
	149.48	**149.48**

3.20 Revenue from operations

	As at March 31 2023	As at March 31 2022
Sale of electricity	93,734.04	76,766.78
Other operating revenues		
- Sale of fly ash	151.96	124.22
	93,886.00	**76,891.00**

a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:

Contract price	95,355.54	77,193.58
Adjustments for:		
Rebates	(241.42)	(60.85)
Deviation settlement charges	(1,153.96)	(662.27)
Unearned income	-	296.32
Commission/ penalty charges	(226.12)	-
Sale of electricity	**93,734.04**	**76,766.78**

Notes to the consolidated financial statements

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

3.20 Revenue from operations (Continued))

b. Changes in contract liabilities*

	As at March 31 2023	As at March 31 2022
Balance at the beginning of the year	24.71	313.47
Add: Amount received during the year	220.69	166.42
Less: Amount recognised as revenue/other adjustments during the year	(203.03)	**(455.18)**
Balance at the end of the year	**42.37**	**24.71**

* Contract liabilities include unearned income and advance from customer.

c. Transaction Price - Remaining Performance Obligation

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

d. Refer note 3.33 for Revenue disaggregation by geography.

3.21 Other income

	For the year ended March 31 2023	For the year ended March 31 2022
Interest income from financial assets measured at amortised cost	300.64	264.67
Net gain on financial assets measured at FVTPL		
- mutual funds	77.39	81.62
Late payment surcharges recovered from customers	2,701.65	989.50
Unwinding of discount on trade & late payment surcharge receivables (refer note 3.42)	1,008.26	-
Insurance claims recovered	43.10	-
Gain on derivative contracts, net at FVTPL	18.70	29.98
Gain on sale of property, plant and equipment, net	-	0.42
Scrap sales	76.81	54.70
Miscellaneous income	0.09	0.18
	4,226.64	**1,421.07**

3.22 Cost of fuel

	For the year ended March 31 2023	For the year ended March 31 2022
Coal and fuel cost	65,178.26	46,729.68
	65,178.26	**46,729.68**

3.23 Transmission charges

	For the year ended March 31 2023	For the year ended March 31 2022
Transmission charges	3,806.83	3,113.82
	3,806.83	**3,113.82**

SEIL

Notes to the consolidated financial statements

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

3.24 Employee benefits expense

	For the year ended March 31 2023	For the year ended March 31 2022
Salaries, wages and bonus	1,586.04	2,166.92
Contribution to provident and other funds (refer note 3.35)	93.91	80.83
Employee share based expenses (refer note 3.39)	97.13	136.20
Staff welfare expenses	104.65	92.62
	1,881.73	**2,476.57**

3.25 Finance costs

	For the year ended March 31 2023	For the year ended March 31 2022
Interest expense on financial liabilities measured at amortised cost	6,485.83	10,187.00
Unwinding of discount on lease liabilities (refer note 3.32)	5.62	6.41
Other borrowing costs	1,464.11	699.31
	7,955.56	**10,892.72**

3.26 Depreciation and amortisation expense

	For the year ended March 31 2023	For the year ended March 31 2022
Depreciation on property, plant and equipment	5,893.65	6,659.90
Depreciation on right to use assets (refer note 3.32)	40.49	27.38
Amortisation on intangible assets	6.61	5.12
	5,940.75	**6,692.40**

3.27 Operating and other expenses

	For the year ended March 31 2023	For the year ended March 31 2022
Consumption of stores, spares and consumables	877.39	925.86
Repairs and maintenance		
- Buildings and civil works	80.89	50.05
- Plant and equipment	1,083.19	1,058.02
- Others	8.19	14.95
IT maintenance expenses	126.34	125.01
Travelling and conveyance	97.88	76.05
Insurance	429.49	475.62
Security charges	59.42	56.44
Legal and professional expenses	246.65	272.59
Technical support services (refer note 3.43)	111.98	-
Health and safety expenses	50.30	38.15
Expenditure on corporate social responsibility	92.00	52.58
Rates and taxes	20.27	27.32
Rent (refer note 3.32)	2.39	3.56
Directors' sitting fee	7.79	6.37
Commission charges	151.88	12.13
Communication expenses	14.83	13.50
Advertisement expenses	9.58	6.35
Loss on foreign currency transactions and translation (net)	265.59	132.38
Property, plant and equipment written off	3.25	0.26
Miscellaneous expenses	50.49	52.16
	3,789.79	**3,399.35**

Notes to the consolidated financial statements

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

3.28 Tax expenses

	For the year ended March 31 2023	For the year ended March 31 2022
Current tax expense	-	62.81
Current tax adjustment relating to earlier years	-	(252.15)
Deferred tax expense	2,256.60	1,501.77
	2,256.60	**1,312.43**
Tax effect on items classified under other comprehensive income	43.73	(59.37)
	2,300.33	**1,253.06**
Tax expense is attributable to:		
Profit from continuing operations	2,300.33	615.21
Profit/(loss) from discontinued operation	-	637.85
	2,300.33	**1,253.06**
Reconciliation of effective tax rate		
Profit before tax from continuing operations	8,470.86	4,544.91
Profit/(loss) before tax from discontinued operation	-	24,114.39
	8,470.86	28,659.30
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expenses (a)	2,131.95	7,212.97
Effect of		
MAT credit not recognised	-	14.25
Adjustments due to income taxable at different tax rates	-	(0.10)
Non-deductible expenses (i.e. CSR expense, fair valuation)	23.97	110.89
Changes in permanent difference of deferred tax assets/liabilities	-	22.92
Non-taxable income (income under section 80IA)	-	(73.25)
Gain on disposal of discontinued operation	-	(5,380.84)
Income taxes related to prior years	-	(252.15)
Deferred tax asset not recognised on tax losses in earlier years	0.07	(266.44)
Others	100.61	(75.82)
Income tax expense (b)	**2,256.60**	**1,312.43**
Tax effect on other comprehensive income	43.73	(59.37)
	2,300.33	**1,253.06**

3.29 Earnings per Equity share

	For the year ended March 31 2023	For the year ended March 31 2022
Profit attributable to equity shareholders of the Company **(A)**	6,214.26	27,241.98
Profit attributable to equity shareholders of the Company-Continuing operations **(B)**	6,214.26	3,869.36
Profit/(Loss) attributable to equity shareholders of the Company-Discontinued operation **(C=A-B)**	-	23,372.62
Number of equity shares		
Number of shares at the beginning of the year	5,433,668,574	5,433,668,574
Add: Weighted average number of shares issued during the year	-	-
Weighted average number of shares outstanding during the year (D)	**5,433,668,574**	**5,433,668,574**
Earnings per equity share - Continuing and discontinued operation		
(face value of share Rs.10 each)		
- Basic and diluted earnings per equity share (Rs.) **(A/D)**	**1.14**	**5.01**
Earnings per equity share -Continuing operations		
(face value of share Rs.10 each)		
- Basic and diluted earnings per equity share (Rs.) **(B/D)**	**1.14**	**0.71**
Earnings per equity share -Discontinued operation		
(face value of share Rs.10 each)		
- Basic and diluted earnings/(loss) per equity share (Rs.) **(C/D)**	**-**	**4.30**

Note: The Group did not have any potentially dilutive securities in any of the years presented.

Notes to the consolidated financial statements

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

3.30. Financial instruments - fair values and risk management

A) Accounting classifications and fair values

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

As at March 31 2023:	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Investments - mutual funds	3.8	157.44	-	-	157.44	157.44	-	-
Trade receivables	3.9	-	-	40,493.57	40,493.57	-	-	-
Cash and cash equivalents	3.10	-	-	1,030.69	1,030.69	-	-	-
Other bank balances	3.10	-	-	-	-	-	-	-
Other financial assets	3.3	-	-	2,185.25	2,185.25	-	-	-
		157.44	**-**	**43,709.51**	**43,866.95**	**157.44**	**-**	**-**
Financial liabilities								
Borrowings	3.13 & 3.17	-	-	67,267.67	67,267.67	-	-	-
Lease liabilities		-	-	56.47	56.47	-	-	-
Trade payables	3.18	-	-	5,151.53	5,151.53	-	-	-
Other financial liabilities	3.14	-	-	8,170.38	8,170.38	-	-	-
		-	**-**	**80,646.05**	**80,646.05**	**-**	**-**	**-**

As at March 31 2022:	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Investments - mutual funds	3.8	2,471.30	-	-	2,471.30	2,471.30	-	-
Trade receivables	3.9	-	-	36,789.76	36,789.76	-	-	-
Cash and cash equivalents	3.10	-	-	4,759.01	4,759.01	-	-	-
Other bank balances	3.10	-	-	2,039.50	2,039.50	-	-	-
Other financial assets	3.3	-	-	4,667.25	4,667.25	-	-	-
		2,471.30	**-**	**48,255.52**	**50,726.82**	**2,471.30**	**-**	**-**
Financial liabilities								
Borrowings	3.13 & 3.17	-	-	84,989.00	84,989.00	-	-	-
Lease liabilities		-	-	61.39	61.39	-	-	-
Trade payables	3.18	-	-	4,856.43	4,856.43	-	-	-
Other financial liabilities	3.14	-	250.50	7,959.75	8,210.25	-	250.50	-
		-	**250.50**	**97,866.57**	**98,117.07**	**-**	**250.50**	**-**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

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

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

Valuation techniques and significant unobservable inputs

Investment in mutual funds:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Forward exchange/ option contracts, swap contracts and commodity hedge contracts:

Foreign exchange forward/option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include

Notes to the consolidated financial statements

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

3.30. Financial instruments - fair values and risk management (Continued)

forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

B. Financial risk management objectives and policies

The Group's activities exposed it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Group's enterprise risk management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Group's liquidity, counterparty risk, foreign exchange and derivative transactions and financing..

The Group uses foreign exchange contracts, foreign exchange swaps, interest rate swaps, and various financial instruments to manage exposures to interest rate and foreign exchange risks arising from operating and financing activities. The Group uses commodity hedge contract to manage exposure for international coal prices. All such transactions must involve underlying assets or liabilities and no speculative transactions are allowed.

The financial authority limits seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices (coal) will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

i) Interest rate risk

The Group's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Group's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts under long-term and short-term borrowings.

The Group entered into various cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Group's policy, the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt.

The Group has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts/options for payments of interest and principle for FCNR term loans.

The Group's borrowings majorly consists of project funding and working capital loans having variable rate of interest.

The interest rate profile of the Group's interest-bearing instruments as reported to management is as follows

Particulars	March 31 2023	March 31 2022
Variable rate instruments		
Long term borrowings	37,766.73	74,766.96
	37,766.73	**74,766.96**

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Group's assets are located in India. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Group is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).

The Group evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency interest rate swaps to mitigate the exposure.

The quantitative data about the Group's exposure to currency risk (based on notional reports) is as follows:

Notes to the consolidated financial statements

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

3.30. Financial instruments - fair values and risk management (Continued)

Particulars	Currency	March 31 2023		March 31 2022	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Financial assets					
Trade receivables	USD	10,427.78	126.83	1,985.30	26.19
Total financial assets		**10,427.78**		**1,985.30**	
Financial liabilities					
Borrowings ECB, FCNR and Buyer's credit	USD	**-**	**-**	**(16,620.31)**	**(219.24)**
Trade payables	USD	(3,025.20)	(36.80)	(3,930.22)	(51.70)
Trade payables	SGD	(133.25)	(2.15)	(64.65)	(1.16)
Other financial liabilities	USD	(4,328.50)	(52.65)	(3,991.04)	(52.65)
Total financial liabilities		**(7,486.95)**		**(24,606.22)**	
Net financial liabilities		**2,940.83**		**(22,620.92)**	
less:					
Foreign exchange forward contract (FCNR term loans)	USD	-	-	16,620.31	219.24
Total		-		**16,620.31**	
Net exposure in respect of recognised assets/ (liabilities)		**2,940.83**		**(6,000.61)**	

Sensitivity analysis

A reasonably possible strengthening (weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
March 31 2023	(153.70)	153.70	(153.70)	153.70
March 31 2022	296.80	(296.80)	296.80	(296.80)
SGD (5% movement)				
March 31 2023	6.66	(6.66)	6.66	(6.66)
March 31 2022	3.23	(3.23)	3.23	(3.23)

iii) Derivative financial instruments

Cash flow hedges:

Cross currency interest rate swaps

The Group has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Group has also entered into interest rate swap contracts, under which the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Commodity hedge contracts

The Group uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Group to mitigate the risk of changing coal prices and corresponding cash outflows

Forward contracts

The Group uses foreign exchange forward contracts to hedge the currency risk on Interest portion of foreign currency denominated loans. These contracts enable the Group to mitigate the risk of change in foreign exchange rates and corresponding cash outflows.

Notes to the consolidated financial statements

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

3.30. Financial instruments - fair values and risk management (Continued)

Fair value hedges:

Forward contracts

The fair value of foreign exchange contracts/options which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price.

The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/(liability) (Rs. In million)		Nominal values in Foreign currency i.e. USD		Nominal values (Rs. In million)	
	As at March 31 2023	As at March 31 2022	As at March 31 2023	As at March 31 2022	As at March 31 2023	As at March 31 2022
Derivatives designated as cash flow hedges:						
Cross currency interest rate swaps						
In USD	-	-	-	-	-	-
Commodity hedge contracts						
In USD	-	-	-	-	-	-
Forward contracts and swaps						
In USD	-	(0.82)	-	1.33	-	102.07
Derivatives not designated as cash flow hedges:						
Options						
In USD	-	-	-	-	-	-
In JPY	-	-	-	-	-	-
Forward contracts and swaps						
In USD	-	(249.68)	-	219.23	-	16,976.25
In JPY	-	-	-	-	-	-

iii) Derivative financial instruments

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer, employee or counterparty to a financial instrument fails to meet its contractual obligations leading to financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade and unbilled receivables) and from its financing activities, including short-term deposits with banks, and other financial assets.

The carrying amounts of the financial assets as disclosed in note no. 3.9 represent the maximum credit risk exposure.

Trade and late payment surcharge receivables

The Group has exposure to credit risk from a limited customer group on account of specialized nature of business, i.e. sale of power. The Group ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.

Customer credit risk is managed by the Group subject to the Group's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Group has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and credit worthiness of its customers are continuously monitored.

The Group also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade and late payment surcharge receivables.

Impairment

The movement in allowance for expected credit loss in respect of trade and late payment surcharge receivables during the year is as follows:

Notes to the consolidated financial statements

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

3.30. Financial instruments - fair values and risk management (Continued)

Particulars	Allowance for expected credit loss	
	As at March 31, 2023	As at March 31, 2022
Trade receivables and Late payment surcharges receivables		
Balance at the beginning of the year	1,004.01	753.99
Movement in expected credit loss allowance	(796.81)	587.76
Disposal of discontinued operation	-	(337.74)
Balance at the end of the year	**207.20**	**1,004.01**

Other financial assets/derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets and liabilities are limited as the Group generally invests in deposits with banks with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks, the Group does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Group is exposed to this risk from its operating activities and financing activities. The Group's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Group to meet its obligations.

The below table provides details regarding the contractual maturities of financial liabilities as of the reporting date.

As at March 31 2023

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	37,774.09	6,436.69	38,577.60	8,818.95	53,833.24
Borrowings - short-term (excluding current maturities)	29,500.94	30,468.37	-	-	30,468.37
Trade payables	5,151.53	5,151.53	-	-	5,151.53
Other financial liabilities (excluding interest accrued on borrowings)	8,163.02	8,163.02	-	-	8,163.02
	80,589.58	**50,219.61**	**38,577.60**	**8,818.95**	**97,616.16**

As at March 31 2022

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	74,770.91	11,149.66	40,845.47	67,808.77	119,803.90
Borrowings - short-term (excluding current maturities)	10,222.04	10,222.04	-	-	10,222.04
Trade payables	4,868.47	4,868.47	-	-	4,868.47
Other financial liabilities (excluding interest accrued on borrowings)	8,206.30	8,206.30	-	-	8,206.30
	98,067.72	**34,446.47**	**40,845.47**	**67,808.77**	**143,100.71**

Notes to the consolidated financial statements

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

3.30. Financial instruments - fair values and risk management (Continued)

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

3.31. Capital management

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

The capital structure of the Group consist of Borrowings and total equity of the Group. The Group seeks to maintain a balance between the higher returns that might be possible with highest levels of borrowings and the advantages and security afforded by a sound capital position.

Capital is defined as equity attributable to the equity holders (including non-controlling interest). Debt consists of non-current borrowings, current borrowings and current maturities of long-term borrowings.

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

Particulars		March 31 2023	March 31 2022
Debt	A	67,267.67	84,989.00
Total equity	B	117,060.82	110,990.90
Total debt and equity		**184,328.49**	**195,979.90**
Debt-to-equity ratio	**(A/B)**	**0.57**	**0.77**

3.32. Leases

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

Particulars	Gross carrying amount	Accumulated Depreciation	Net carrying amount
As at March 31 2023			
Leasehold land and buildings	732.29	114.16	618.13
Vehicles	11.54	6.72	4.82
Total	**743.83**	**120.88**	**622.95**
As at March 31 2022			
Leasehold land and buildings	720.26	76.54	643.72
Vehicles	11.54	3.84	7.70
Total	**731.80**	**80.38**	**651.42**

Lease liability	As at March 31 2023	As at March 31 2022
Present value of lease liability		
Current	19.48	17.49
Non- current	36.99	43.90
Maturity analysis		
0 - 1 year	23.06	27.40
1 - 5 years	36.76	51.77
More than 5 years	11.57	18.21

The amount recognised in consolidated statement of profit and loss for the right-of-use assets and lease liability are as follows:

For the year ended March 31 2023

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	37.61	2.88	40.49
Unwinding of discount on lease liabilities	4.97	0.65	5.62

For the year ended March 31 2022

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	38.16	2.88	41.04
Unwinding of discount on lease liabilities	16.02	0.91	16.93

Notes to the consolidated financial statements

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

3.32. Leases (Continued)

Further, the Group incurred Rs. 2.39 million (March 31 2022: Rs. 5.71 million) towards expenses relating to short-term leases and leases of low-value assets. Lease contracts entered by the Group majorly pertains for land taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is Rs. 22.57 million (March 31 2022: Rs. 40.56 million).

3.33. Segment reporting

The Group is engaged in the business of generation of power, which in the context of Ind AS 108 "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Group exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended March 31 2023 and March 31 2022 were as follows:

Customer name	For the year ended March 31 2023		For the year ended March 31 2022	
	Revenue	%	Revenue	%
Telangana State Government utilities	31,401.97	33.45%	30,226.32	33.71%
Indian Energy Exchange (IEX)	15,978.47	17.02%	22,416.67	25.00%
Bangladesh Power Development Board	12,359.28	13.16%	10,174.18	11.35%
PTC India Limited	16,338.76	17.40%	-	0.00%
Andhra Pradesh State Government utilities	10,499.27	11.18%	7,679.73	8.57%

Geographical segments

Revenue from operations	For the year March 31 2023	For the year March 31 2022
India	81,526.72	79,478.44
Bangladesh	12,359.28	10,174.18
Total	**93,886.00**	**89,652.62**

The total of non-current assets other than financial instruments and tax assets, broken down by location of the assets, is shown below:

Non-current assets	For the year March 31 2023	For the year March 31 2022
India	149,634.36	153,586.56
Bangladesh	-	-
Total	**149,634.36**	**153,586.56**

3.34. Changes in liabilities arising from financing activities

Particulars	Lease liabilities	Borrowings	Total
As at April 1, 2021	(231.35)	(201,099.65)	(201,331.00)
Net cash flows	307.03	182,943.48	183,250.51
Foreign exchange movement and borrowing cost	-	(1.48)	(1.48)
Movement in lease liabilities	2.85	-	2.85
Unwinding of discount on lease liabilities	6.41	-	6.41
Disposal of discontinued operation	(146.33)	(66,831.35)	(66,977.68)
As at March 31, 2022	**(61.39)**	**(84,989.00)**	**(85,050.39)**
Net cash flows	22.57	17,736.88	17,759.45
Foreign exchange movement and borrowing cost	-	(15.55)	(15.55)
Movement in lease liabilities	(12.03)	-	(12.03)
Unwinding of discount on lease liabilities	(5.62)	-	(5.62)
Disposal of discontinued operation	-	-	-
As at March 31, 2023	**(56.47)**	**(67,267.67)**	**(67,324.14)**

Notes to the consolidated financial statements

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

3.35. Assets and liabilities relating to employee benefits

i) Defined contribution plan

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contribution to provident fund charged to the consolidated statement of profit and loss is Rs. 65.99 million (March 31 2022: Rs. 86.53 million).

ii) Defined benefit plan

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

A. Funding

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

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

B. Reconciliation of the present value of defined benefit obligation

Particulars	As at March 31 2023	As at March 31 2022
Balance at the beginning of the year (as reported earlier)	169.04	154.90
Current service cost	25.20	27.78
Interest cost	12.02	9.57
Benefits paid	(6.94)	(6.58)
Actuarial loss recognised in the other comprehensive income	(9.91)	41.87
Liabilities assumed/ (Settled) (refer note 3.43)	(33.25)	-
Disposal of discontinued operation	-	(58.50)
Balance at the end of the year	**156.16**	**169.04**

C. Reconciliation of the present value of plan assets

Particulars	As at March 31 2023	As at March 31 2022
Balance at the beginning of the year	139.91	124.17
Contributions made into the plan by employer	25.19	16.39
Benefits paid	(6.94)	(5.06)
Expected return on plan assets	10.05	8.47
Actuarial loss/(gain) on plan assets	(1.86)	1.85
Disposal of discontinued operation	-	(5.91)
Balance at the end of the year	**166.35**	**139.91**
Net defined benefit (asset)/obligation	**(10.19)**	**29.13**
Disclosure in the Balance sheet:		
Non-current	10.19	(29.13)
Current	-	-

D. Expense recognised in the consolidated statement of profit and loss

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Current service cost	25.20	27.78
Interest cost on obligaton	12.02	9.57
Interest income on plan assets	(10.05)	(8.47)
Total expense during the year	**27.17**	**28.88**

Notes to the consolidated financial statements

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

3.35. Assets and liabilities relating to employee benefits (Continued)

E. Remeasurements recognised in other comprehensive income

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Actuarial loss on defined benefit obligation	(9.91)	41.87
Actuarial loss on planned asset	1.86	(1.85)
Actuarial loss for the year	**(8.05)**	**40.02**

F. Plan assets

Particulars	As at March 31 2023	As at March 31 2022
New Group Gratuity Cash Accumulation Plan with LIC	166.35	139.91

G. Summary of actuarial assumptions

Demographic assumptions

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Attrition rate		
18-30 years	10.00%	8.00% - 10.00%
31-50 years	5.00%	2.00% - 10.00%
51 years and above	10.00%	2.00% - 10.00%
Financial assumptions		
Discount rate	7.45%	7.15% - 7.25%
Future salary growth rate	8.00%	8.00%

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

Sensitivity analysis

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

Particulars	As at March 31 2023	As at March 31 2022
	Increase/(Decrease) in liability	Increase/(Decrease) in liability
Impact of the change in discount rate %		
0.50% increase	(6.96)	(9.80)
0.50% decrease	7.50	10.70
Impact of the change in salary growth rate %		
0.50% increase	7.43	10.58
0.50% decrease	(6.95)	(9.78)

H. Asset-liability matching strategy

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

I. Maturity profile of the defined benefit obligation

Expected cash flows over the next year (valued on undiscounted basis):

Particulars	As at March 31 2023	As at March 31 2022
Within 1 year	12.80	6.29
2 to 5 years	55.03	34.62
6 to 9 years	51.90	59.53
For year 10 and above	250.99	394.95

Notes to the consolidated financial statements

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

3.35. Assets and liabilities relating to employee benefits (Continued)

iii) Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the consolidated statement of profit and loss amounting to Nil (March 31 2022: Rs. 35.98 million).

3.36. Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company (upto January 18, 2023)
Sembcorp Utilities Pte. Ltd., Singapore	Holding company (upto January 18, 2023)
Sembcorp Green Infra Limited, India	Entity under common control (w.e.f December 23, 2021 and upto January 18, 2023)
Sembcorp India Private Limited, India	Entity under common control (upto January 18, 2023)
Tanweer Infrastructure SAOC., Oman	Holding company (w.e.f January 19, 2023)
Osara Corporation SAOC	Ultimate holding company (w.e.f January 19, 2023)
Wong Kim Yin	Chairman (upto January 19, 2023)
Vipul Tuli	Managing Director (upto January 18, 2023)
Looi Lee Hwa	Director (upto November 30, 2022)
Eugene Chee Mun Zheng Zhiwen Cheng	Director (w.e.f May 1, 2021 and upto January 20, 2023)
Tareq Mohamed Sultan Al Mugheiry	Chairman (w.e.f March 02, 2023)
Hamad Mohammad Hamood Al Waheibi	Director (w.e.f March 02, 2023)
Cyrus Erach Cooper	Director (w.e.f January 20, 2023)
Raghav Trivedi	Whole Time Director and CEO (w.e.f January 20, 2023)
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director
Juvenil Jani	Chief Financial Officer (upto December 31, 2022)
Narendra Ande	Company Secretary (upto February 28, 2023)
Ajay Bagri	Chief Financial Officer (w.e.f January 20, 2023)
Rajeev Ranjan	Company Secretary (w.e.f March 01, 2023)

b) The following are the transactions with related parties during the year

	For the year ended March 31 2023	For the year ended March 31 2022
Rent and utility expense		
Sembcorp India Private Limited	16.61	21.35
Consultancy expenses		
Sembcorp India Private Limited	21.67	-
Sembcorp Utilities Pte Ltd.	92.41	202.82
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd.	-	3,140.73
Bank guarantee fees/commission		
Sembcorp Utilities Pte Ltd.	-	212.75
Share based payment reimbursement		
Sembcorp Utilities Pte Ltd.	97.13	166.98
Reimbursement of expenses		
Sembcorp Utilities Pte Ltd.	3.68	6.92
Repayment of INR Denominated notes		
Sembcorp Utilities Pte Ltd	-	42,400.00
Interest paid on INR Denominated notes (Net of TDS)		
Sembcorp Utilities Pte Ltd.	-	9,548.63

Notes to the consolidated financial statements

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

3.36. Related party disclosure (Continued)

b) The following are the transactions with related parties during the year (Contd..)

	For the year ended March 31 2023	For the year ended March 31 2022
Salaries to Key managerial person*		
Vipul Tuli	86.13	155.34
Juvenil Jani	24.32	36.42
Narendra Ande	4.83	6.42
Raghav Trivedi	39.26	-
Ajay Bagri	7.50	-
Rajeev Ranjan	0.80	-
Sitting fees to Directors (including taxes)		
Kalaikuruchi Jairaj	2.60	2.12
Radhey Shyam Sharma	2.60	2.12
Sangeeta Talwar	2.60	2.12

* Key Managerial Personnel and relatives of Promoters who are under the employment of the Group are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances is as under:

	As at March 31 2023	As at March 31 2022
Related party payables		
Sembcorp Utilities Pte Ltd. (Trade payables)	-	64.65
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd	-	25,947.69
(Represents the amount of facility outstanding)		

3.37 Discontinued operation

a) Description

During the previous year, Sembcorp Energy India Limited (SEIL) entered into Share Purchase Agreement on December 10, 2021 for sale of its 100% investments in Sembcorp Green Infra Limited (SGIL) to Sembcorp Utilities Pte Ltd, (SUPL) for consideration of Rs. 52,321.20 million and recognised a gain amounting to Rs. 21,379.67 million on disposal. The Group received all the amount from SUPL by end of December 31, 2021 and SGIL shares were transferred to SUPL on December 22, 2021 and accordingly SGIL ceased to be a subsidiary of the company w.e.f December 23, 2021. As SGIL is representing separate major line of business, the said sale was treated as discontinued operation.

b) Financial performance and cash flow information

The financial performance and cashflow information of discontinued operation from April 1 to December 22, 2021 was as follows:

	Note		For the year ended March 31 2022
Total Income			13,346.83
Total expenses			10,612.11
Profit/(loss) before tax			**2,734.72**
Tax expense/(credit)			636.88
Profit/(loss) after tax			**2,097.84**
Gain on sale of discontinued operation			21,379.67
Profit/(loss) from discontinued operation			**23,477.51**
Earnings per equity share - discontinued operation	3.29		
(face value of share Rs.10 each)			
- Basic and diluted (Rs.)		-	4.30

Notes to the consolidated financial statements

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

3.37 Discontinued operation (Continued)

The cash flows attributable to the discontinued operation is as follows

Particulars	Note	For the year ended March 31 2022
Net cash generated from operating activities		11,728.48
Net cash generated from investing activities		46,935.14
Net cash used in financing activities		(7,634.03)
Net cash generated from discontinued operation		**51,029.59**

c) Carrying value of Net assets of discontinued operation and financial effect arising from disposal of discontinued operation is as follows:

Particulars	Amount
Property, plant and equipment	83,220.12
Other Non-current assets	3,959.65
Trade receivables	4,843.84
Cash and cash equivalents	3,767.86
Other current assets	6,121.61
Total assets (A)	**101,913.08**
Non-current liabilities	61,594.17
Trade payables	240.79
Other current liabilities	8,892.50
Total liabilities (B)	**70,727.46**
Net assets (C)=(A-B)	**31,185.62**
Consideration received	**52,321.20**
Add: Non-controlling interests	244.09
Less: Net assets	31,185.62
Gain on disposal of discontinued operation	**21,379.67**
Movement in cashflows:	
Consideration received	52,321.20
Less: Cash and cash equivalents disposed off	(3,767.86)
Net Cash inflow	**48,553.34**

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

I) Commitments

Particulars	As at March 31 2023	As at March 31 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	463.98	192.07

II) Claims against the Group not acknowledged as debt in respect of

Particulars	As at March 31 2023	As at March 31 2022
(i) Income tax	730.83	730.83
(ii) Stamp duty (refer subnote a below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax	150.62	150.62
(vi) Service tax (refer subnote b below)	798.13	798.13
(viii) Township construction contract works ##	149.92	149.92
(ix) Goods and services tax (refer note c below)	1,108.27	1,108.27
(ix) Others (refer note d,e, and f below)	Amount not ascertainable	Amount not ascertainable

Notes to the consolidated financial statements

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

3.38. Contingent liabilities and commitments (to the extent not provided for) (Continued)

The Group had earlier entered into a contract with a vendor for construction of township at Nellore for an amount of Rs. 454.06 million. The contract was completed on October 31, 2017 and the full and final settlement was agreed with the vendor on December 15, 2017. Final payment was released by the Group on November 15, 2018. During the earlier years, the vendor sought additional compensation of Rs. 149.91 million (approx.) from the Group for additional work executed, damages, loss of profits, recovery of liquidated damages etc., sought appointment of an arbitrator and also filed proceedings application under Section 11 of Arbitration and Conciliation Act, 1996 against the Group before the Hon'ble High Court of Telangana. The Group is contesting the matter and has obtained legal opinion on the validity of the claims. As per the legal opinion, Group has a good arguable case in its favour and no adjustment required in books of accounts.

Note:

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

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

CESTAT vide its order dated April 21, 2023, allowed the appeal in favour of the Group in respect of service tax demand of INR 796.80 million on Liquidated damages. However, the appeal in the matter of applicability of service tax under reverse charge mechanism on reimbursement of expenses to Sembcorp Utilities Pte ltd amounting to Rs. 1.33 million was rejected.

c) During the previous year, Assistant Commissioner (State Tax), Nellore in its order has confirmed a demand for Goods & Service Tax (GST) for an amount of Rs. 639.18 million (of which Rs. 366.67 million pertains to FY 2017-18 and Rs. 272.51 million for FY 2018-19) along with interest of Rs. 405.17 million and penalty of Rs. 63.92 million aggregating to a total tax demand of Rs. 1,108.27 million against the earlier Show Cause Notices (SCNs) issued for levy of GST on Transmission charges incurred and reimbursed by the Group. Group has obtained a expert opinion and filed its reply to the said authorities contending that such transmission charges are not subject to GST. Considering the facts of the case and expert opinion obtained, the Group believes it has a good case in its favour and no adjustments are required in the financial statements.

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

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

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

III) Liquidated damages and bank guarantees encashment:

In earlier years the Group raised a claim of Rs. 2,882.50 million and of US$ 9.04 million towards liquidated damages on one of its EPC contractor for delay in the achievement of provisional acceptance for which the Group had to incur additional cost to commence operations and encashed performance bank guarantee of Rs. 516.00 million on April 19, 2017 and Rs. 2,915.00 million on November 3, 2017 respectively. Also, a claim of US $ 40.97 million was raised on EPC equipment suppliers consortium towards the delay in agreed delivery schedule and non-achievement of project provisional acceptance.

The EPC contractor had invoked Arbitration proceedings and filed its statement of claims of Rs. 15,579.00 million with interest. The Group filed its statement of defence along with a counter claim of Rs. 10,127.00 million and US$ 9.04 million.

The tribunal has noted the statements made by the counsels for the parties that they intend to settle certain claims and counter claims and post negotiations they will file application before the tribunal. Based on the statement of defence filed by the Group and legal counsel view, the Group believes it has a good case in its favour and no adjustment is required in the financial statements.

Notes to the consolidated financial statements

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

3.38. Contingent liabilities and commitments (to the extent not provided for) (Continued)

IV) Electricity duty demand:

During earlier years, the Group received an intimation from the Chief Electrical Inspector, Government of Andhra Pradesh ('GoAP'), whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to Rs.1,493.62 million. Based on the internal assessment and legal opinion received by the Group, the management believes that the provisions of Electricity Duty Act, and Rules, 1939 in respect of payment of electricity duty are not applicable to the Group and accordingly no adjustments has been made in financial statements of the Group for the year ended March 31, 2023.

V) Bank guarantees

Particulars	As at March 31 2023	As at March 31 2022
Bank guarantees with customs and excise	3,827.83	8,345.24
Bank guarantees for PPA and other commitments	7,778.18	8,714.90
	11,606.01	**17,060.14**

3.39 Share-based payments

The Group participates in Share based plans of erstwhile ultimate holding company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Restricted Share Plan (SCI RSP) and Performance Share Plan (SCI PSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. The SCI RSP is for directors and employees of the Group, whereas the SCI PSP is primarily for key executives of the Group. The details of share plans are as follows:

a) SCI Restricted Share Plan (RSP)

The number of the restricted share awards granted are based on the achievement of stretched financial and nonfinancial targets for the preceding calendar year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards. For the grant awarded during the year, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

b) SCI Performance Share Plan (PSP)

The SCI PSP is targeted at senior management who shoulder the responsibility for the Group's performance and who are able to drive the growth of the Group to deliver long-term shareholder value. Awards granted under the SCI PSP are performance-based and performance targets set under the SCI PSP are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

The following is the summary of movement in RSP and PSP

Particulars	March 31 2023		March 31 2022	
	RSP	PSP	RSP	PSP
Outstanding at the beginning of the year	776,817	3,059,452	1,278,220	458,752
Granted during the year	375,300	1,130,100	383,514	3,033,800
Vested and exercised during the year	(468,983)	(51,600)	(459,072)	(433,100)
Shares for transferred employees	(610,011)	(3,256,200)	-	-
Forfeited / lapsed during the year	(73,123)	(881,752)	(13,222)	-
Disposal of discontinued operation	-	-	(412,623)	-
At the end of the year	**-**	**-**	**776,817**	**3,059,452**

Information on outstanding and exercisable RSP and PSP is as set out below:

Particulars	March 31 2023		March 31 2022	
	RSP	PSP	RSP	PSP
Options outstanding at the end of the year				
Number of options outstanding	-	-	776,817	3,059,452
Remaining contractual life in years	-	-	0.00-1.25	0.00-4.06
Risk free interest rate (depending in maturity)	0.00%	0.00%	0.47% – 0.96%	0.4% – 1.3%
Expected dividend yield shares	0.00%	0.00%	3.50%-4.20%	3.50%-4.20%
Weighted average price (SGD)	2.02	2.11	1.75	1.71

The fair values of the PSP and RSP are estimated using a Monte Carlo simulation at the grant dates. The Group had charged Rs. 78.18 million (March 31 2022: Rs. 166.98 million) on account of share based payment based on the fair value of the performance shares and restricted shares at the grant date and is being expensed over the vesting period.

Notes to the consolidated financial statements

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3.40 The Group has accounted Rs 3,848.89 million (March 31, 2022: Rs. 2,525.86 million) as Goods and service tax(GST) input tax credit for claiming refund against export of electricity made to Bangladesh. However, the input tax credit refund has been disputed by GST Authorities primarily for non-submission of shipping bill as a proof of export for which representation has been filed by the Group with Ministry of Finance and seeking assistance from Ministry of Power for resolution of the matter. The Group has also filed writ petitions with High Court of Andhra Pradesh, seeking relief against the order of GST Authorities in which they have rejected GST refund applications of the Group.

During the previous year, the Group had received a notice from the office of the Commissioner of Central Tax, Guntur Commissionerate (Anti Evasion) requesting the Group to reverse the input tax credit ('ITC') availed in earlier years. The Group had submitted relevant replies to the department for the notice so received, stating that the sale of electricity to Bangladesh qualifies as an export and eligible for ITC.

Based on representation from Ministry of Power that there is no requirement of furnishing the shipping bill, Ministry of Finance through GST policy wing has issued a circular number 175/07/2022- GST dated July 06, 2022, prescribing the procedure for filing refund of unutilised input tax credit on account of export of electricity. The Group has also received favourable judgement from Hon'ble AP High court for the writ petition filed and with the issuance of this circular, favourable judgement from AP High court and based on legal opinion taken, management is of the view that eligibility of refund has been established and no adjustment is required in the financial statements of the Group for the year ended March 31, 2023.

3.41 As per the Mega Power Projects Policy 2009, the Group needs to enter into a long term PPAs for a minimum of 85% of the net capacity to avail the customs/excise duty benefits for capital equipment procured for power generation. During the previous year, the Group determined that the duty benefit will not be available for Rs. 2,047.64 million due to absence of long term PPAs and consequently provided for the same towards cost of PPE. In case of the remaining unfilled conditions, the Group believes it will be able to comply with the conditions attached to benefit.

3.42 Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (LPSC Rules, 2022) were notified by the Ministry of Power on June 03, 2022 and are applicable to outstanding dues of generating companies. As per the said rules, the total outstanding dues including late payment surcharges upto the date of the said notification were rescheduled and the due dates redetermined for payment by Discoms in equated monthly instalments in the manner prescribed in the said Rules. Necessary adjustments on account of the above has been made in the financial statements towards "Loss on derecognition of financial asset", "Impairment Loss/ (Reversal) on Financial Assets (Net)" and "Unwinding of discount on trade & late payment surcharge receivables" (as dislcosed in other income) amounting to Rs. 1,885.67 million, Rs. 364.65 million and Rs. 1,008.26 million respectively. Based on the redetermined due dates, certain receivables which are scheduled to realise beyond 12 months from the balance sheet date are classified as non-current trade receivables.

3.43 Pursuant to Share Purchase Agreement (SPA), Sembcorp Utilities Pte. Ltd. (SCU) transferred 100% of it's shareholding in SEIL in favour of Tanweer Infrastructure SAOC, Oman on January 19, 2023. Consequently, SEIL is now a wholly owned subsidiary of Tanweer Infrastructure SAOC.

The Group entered into a technical service agreement with one of the Indian Subsidiaries of SCU to receive certain services in connection with the operation and maintenance of the Plant. During the year, the Group transferred certain employees to the said Indian subsidiary along with related employee liabilities.

3.45 12. The Board of Directors of the holding company at its meeting held on May 24, 2023 has declared an interim dividend of Rs. 0.98 (9.80%) per equity share of par value of Rs. 10 each amounting to Rs. 5,325.00 million for the financial year ended March 31, 2023.

3.46 The Group has assessed the impact of Covid-19 on the financial statements, business operations, liquidity position and cash flows and has concluded no adjustments are required in respect of carrying amounts of assets and liabilities as at March 31, 2023. The Group will continue to closely monitor the situation arising on account of Covid-19 pandemic considering both internal and external factors.

3.47 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes to the consolidated financial statements

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

3.48 Relationship with struck off companies:

Name of the struck off company	Nature of transaction with struck off company	Balance Outstanding as at March 31 2023	Balance Outstanding as at March 31 2022	Relationship with the struck off company, if any, to be disclosed
Madras Building Products Private Limited	Advance from customer	Nil	0.00	Not applicable
G8ARK factories private limited	Advance from customer	Nil	(0.01)	Not applicable
Omega power erectors private limited	Payable towards repairs and maintenance expense	Nil	(0.05)	Not applicable

3.49. Additional information as required under schedule III of the Companies Act, 2013, in respect of consolidated subsidiaries for financial year 2022-23 and 2021-22 are as below:

Financial year 2022-23

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/ (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other com-prehensive income	Amount	As a % of consolidated total com-prehensive income/ (loss)
Parent								
SEIL Energy India Limited	117,063.36	100.00%	6,214.57	100.01%	(120.05)	100.00%	6,094.52	100.01%
Subsidiaries								
TPCIL Singapore Pte. Ltd	0.38	0.00%	(0.31)	(0.01%)	-	0.00%	(0.31)	(0.01%)
Total	**117,063.74**	**100.00%**	**6,214.26**	**100.00%**	**(120.05)**	**100.00%**	**6,094.21**	**100.00%**
Non-controlling interests in subsidiaries	-		-		-		-	
Inter group eliminations and adjustments	(2.92)		-		-		-	
Consolidated figures	**117,060.82**		**6,214.26**		**(120.05)**		**6,094.21**	

Notes to the consolidated financial statements

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

3.49. Additional information as required under schedule III of the Companies Act, 2013, in respect of consolidated subsidiaries for financial year 2022-23 and 2021-22 are as below:

Financial year 2022-23

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/(loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Parent								
SEIL Energy India Limited	110,993.13	100.00%	1,423.65	40.61%	142.15	91.43%	1,565.80	42.76%
Subsidiaries								
Sembcorp Green Infra Limited	-	0.00%	245.94	7.02%	0.85	0.55%	246.79	6.74%
TPCIL Singapore Pte. Ltd	0.69	0.00%	(0.31)	(0.01%)	-	0.00%	(0.31)	(0.01%)
Step-down subsidiaries								
Green Infra Wind Energy Limited	-	0.00%	843.38	24.06%	1.13	0.73%	844.51	23.06%
Green Infra Corporate Solar Limited	-	0.00%	0.02	0.00%	0.43	0.28%	0.45	0.01%
Green Infra Wind Power Limited	-	0.00%	(7.92)	(0.23%)	0.63	0.41%	(7.29)	(0.20%)
Green Infra Corporate Wind Limited	-	0.00%	4.32	0.12%	0.61	0.39%	4.93	0.14%
Green Infra Wind Energy Assets Limited	-	0.00%	(5.41)	(0.15%)	0.77	0.50%	(4.64)	(0.13%)
Green Infra Wind Farm Assets Limited	-	0.00%	92.61	2.64%	1.30	0.84%	93.91	2.57%
Green Infra Wind Energy Project Limited	-	0.00%	21.25	0.61%	2.05	1.32%	23.30	0.64%
Green Infra Wind Solutions Limited	-	0.00%	20.04	0.57%	(0.07)	(0.05%)	19.97	0.55%
Green Infra Wind Power Generation Limited	-	0.00%	70.69	2.02%	0.30	0.19%	70.99	1.94%
Green Infra Wind Farms Limited	-	0.00%	62.78	1.79%	0.08	0.05%	62.86	1.72%
Green Infra Wind Generation Limited	-	0.00%	189.97	5.42%	-	0.00%	189.97	5.19%
Green Infra Wind Power Projects Limited	-	0.00%	24.40	0.70%	0.58	0.37%	24.98	0.68%
Green Infra BTV Limited	-	0.00%	63.61	1.81%	0.10	0.06%	63.71	1.74%
Green Infra Wind Energy Theni Limited	-	0.00%	18.43	0.53%	0.29	0.19%	18.72	0.51%
Green Infra Wind Power Theni Limited	-	0.00%	5.43	0.16%	0.07	0.05%	5.50	0.15%
Mulanur Renewable Energy Limited	-	0.00%	25.92	0.74%	(0.03)	(0.02%)	25.89	0.71%
Green Infra Solar Energy Limited	-	0.00%	54.68	1.56%	1.44	0.93%	56.12	1.53%
Green Infra Solar Farms Limited	-	0.00%	82.26	2.35%	1.74	1.12%	84.00	2.29%
Green Infra Solar Projects Limited	-	0.00%	15.39	0.44%	0.54	0.35%	15.93	0.44%
Green Infra Wind Ventures Limited	-	0.00%	(67.60)	(1.93%)	-	0.00%	(67.60)	(1.85%)
Green Infra Renewable Energy Limited	-	0.00%	339.66	9.69%	0.51	0.33%	340.17	9.29%
Green Infra Wind Assets Limited	-	0.00%	(49.21)	(1.40%)	-	0.00%	(49.21)	(1.34%)
Green Infra Wind Technology Limited	-	0.00%	(4.62)	(0.13%)	-	0.00%	(4.62)	(0.13%)
Green Infra Wind Limited	-	0.00%	(0.08)	(0.00%)	-	0.00%	(0.08)	(0.00%)
Green Infra Renewable Projects Limited	-	0.00%	36.79	1.05%	-	0.00%	36.79	1.01%
Green Infra Solar Power Projects Limited	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Green Infra Solar Generation Limited	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total	**110,993.82**	**100.00%**	**3,506.07**	**100.00%**	**155.47**	**100.00%**	**3,661.54**	**100.00%**
Non-controlling interests in subsidiaries	-		104.89		0.11		105.00	
Inter group eliminations and adjustments	(2.92)		23,735.91		(9.80)		23,726.11	
Consolidated figures	**110,990.90**		**27,346.87**		**145.78**		**27,492.65**	

Notes to the consolidated financial statements

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

3.50 Additional regulatory information required by Schedule III

i) There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

ii) The Group is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction of number of Layers) Rules, 2017 during the year ended March 31, 2023 and March 31, 2022.

iii) The Group has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 and March 31, 2022.

iv) Details of benami property held : No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2023 and March 31, 2022.

v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 and March 31, 2022.

vi) During the year ended March 31, 2023 and March 31, 2022, the Group has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

viii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix) During the year ended March 31, 2023 and March 31, 2022, the Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

x) During the year ended March 31, 2023 and March 31, 2022, the Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

AGM Notice

Notice of the 15th Annual General Meeting

Notice is hereby given that the 15th Annual General Meeting (AGM) of the members of SEIL Energy India Limited (Formerly Sembcorp Energy India Limited) will be held on Wednesday, August 16, 2023, at 11.00 AM, at the Registered office of the Company situated at 5th Floor, Tower C, Building No. 8, DLF Cybercity, Gurugram – 122 002, 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, 2023 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, 2023 together with the Report of Auditors thereon and in this regard to pass the following resolution(s) as an Ordinary Resolution(s);

   a. "RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended March 31, 2023 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, 2023 together with the Report of Auditors thereon be and are hereby considered and adopted."

2. To appoint a director in place of Mr. Cyrus Erach Cooper (DIN: 00203491), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Mr. Cyrus Erach Cooper (DIN: 00203491), 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."

3. To appoint Auditors of the Company and to fix their remuneration and in this regard to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s Deloitte Haskins & Sells, Chartered Accountants (Firm Regn. No.- 008072S), be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 20th Annual General Meeting of the Company to be held in year 2028, at such remuneration as shall be fixed by the Board of Directors of the Company from time to time."

4. **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 INR. 7,25,000/- (Rupees Seven Hundred and Twenty Five Thousand 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 2023-24.

   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."

Place : Gurugram
Date : July 27, 2023

RAJEEV RANJAN
COMPANY SECRETARY
M. No. F6785

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. 4 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 11, 2023

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 2022-23 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested 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/ KFin (RTA) /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	**Mr. Cyrus Erach Cooper**
Date of Birth (Age)	April 29, 1969 (54 years)
Date of Appointment	January 20, 2023
Expertise in specific functional areas	Mr. Cyrus Erach Cooper, Chief Financial Officer of Oman Investment Corporation, has more than 25 years of experience. He led and managed several equity and debt fund raisings in Oman and international markets.
Qualifications	Mr. Cyrus is the fellow Chartered Accountant (CA) from the Institute of Chartered Accountants of India (ICAI). He is also the Sloan Fellow Masters in Business and Strategy from London Business School.
Directorships held in other companies*	NIL
Membership/ Chairmanship of Committees of other Boards	NIL
Terms and conditions of appointment	Appointed as Director retirement by rotation.
Remuneration	NIL
No. of meetings of the Board attended during the year (2022-23)	5 (Five)
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. 4

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 2023-24, at a remuneration of INR. 7,25,000/- (Rupees Seven Hundred and Twenty Five Thousand 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. 4 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. 4 of the accompanying Notice.

By order of the Board of Directors

RAJEEV RANJAN
COMPANY SECRETARY
M. No. F6785

Place : Gurugram
Date : July 27, 2023

Notice of the 15th Annual General Meeting

ROUTE MAP FOR AGM VENUE:

Venue for the Meeting: 5th Floor, Tower C, Building No. 8, DLF Cybercity, Gurugram - 122002, Haryana.

SEIL Energy India Limited
(Formerly 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@seilenergy.com;
Website: www.seilenergy.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	SEIL 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 Wednesday, August 16, 2023 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, 2023 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, 2023 together with the Report of Auditors thereon		
2	Re- appointment of Mr. Cyrus Erach Cooper (DIN: 00203491) as Director, who retires by rotation and being eligible offers himself for reappointment.		
3	Appointment of M/s Deloitte Haskins & Sells, Chartered Accountants (Firm Regn. No.- 008072S) as Statutory Auditors of the Company		
4	Approval and ratification of Cost Auditor's Remuneration		

Signed this............. day of.................. 2023

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

SEIL

SEIL Energy India Limited
(Formerly 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@seilenergy.com;
Website: www.seilenergy.com

Attendance Slip for the 15th Annual General Meeting

(to be handed over at the Registration Counter)

I/We hereby record my /our presence at the 15th Annual General Meeting of the Company on Wednesday, August 16, 2023 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.

*Applicable only in case of investors holding shares in Electronic Form.

Registered Office

SEIL Energy India Limited
5th Floor, Tower C,
Building No 8, DLF Cybercity,
Gurugram - 122002, Haryana

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