IL&FS | Energy

IL&FS TAMIL NADU POWER COMPANY LIMITED

Annual Report 2022-23

Contents

IL&FS Tamil Nadu Power Company Limited
Corporate Identity Number: U72200TN2006PLC060330
Registered Office: 4th Floor, KPR Tower, Old No. 21, New No. 2, 1st Street, Subba Rao Avenue, College Road, Chennai 600 006, Tamil Nadu
Tel: +4461725550; Fax: +4461725551; Email:secretarial@itpclindia.com;
Website: www.itpclindia.com

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of IL&FS Tamil Nadu Power Company Limited (the "Company") is scheduled to be held on Thursday, 31st day of August 2023, at 11 A.M through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following businesses:

ORDINARY BUSINESS:

1.To receive, consider and adopt:

a. The Audited Standalone Financial Statements for the year ended March 31, 2023, together with the Report of the Board of Directors and the Auditors thereon.

b. The Audited Consolidated Financial Statements for the year ended March 31, 2023, together with the Report of the Auditors thereon.

SPECIAL BUSINESS:

2. Ratification of remuneration of the Cost Auditors:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Section 148, and other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s)or re-enactment thereof, for the time being in force), the remuneration of Rs. 2,40,000/- payable for the Financial year 2023- 24 (excluding conveyance, out-of-pocket expenses and Service tax as applicable) to Mr. M Kannan, (Membership No. 9167), Cost Auditor of the Company be and is hereby ratified.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

3.To revise the remuneration of **Mr. Sanjeev Seth (DIN 07945707),** Managing Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 196 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules and regulations, if any, including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and as recommended by the Nomination & Remuneration Committee of the Board and the Board of Directors of the Company, from time to time, approval & consent of the Members of the Company be and is hereby accorded for revision in remuneration of Mr. Sanjeev Seth (DIN 07945707), Managing Director of the Company as per the details given in Item No.3 of the Explanatory statement of this notice.

RESOLVED FURTHER that the Board of Directors and any one of the KMP's of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For IL&FS Tamil Nadu Power Company Limited

Harshlatha

Harshlatha J Lalwani
Company Secretary

Date: 09.08.2023
Place: Chennai

NOTES:

- Pursuant to the General Circular No:10/2022 dated December 28, 2022 issued by Ministry of Corporate Affairs (MCA), Companies are allowed to hold AGM through VC, without physical presence of members at common venue. Hence in compliance with the Circular, the AGM of the Company is being held through VC.

- The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), relating to special business to be transacted at the AGM, is annexed hereto.

- Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars on AGM through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

- Corporate Members are requested to send at secretarial@itpclindia.com before attending the AGM, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM, pursuant to Section 113 of the Companies Act, 2013.

- In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.

- Procedure for attending the meeting through VC.

    - The meeting shall be held through ZOOM Application
    - The link to attend the AGM will form part of the mail whereby the Notice has been circulated.
    - Members / authorized representatives are requested to install Zoom Application and create an account with the email id registered with the Company / as mentioned in the resolution for corporate authorization received by the Company.
    - The members/ authorized representatives can click on the link in the email and join the meeting.
    - Help-line number for assistance: 7418372606

- Members can login and join 15 (fifteen) minutes prior to the scheduled time of Meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time of commencement of themeeting.

- Members can raise questions during the meeting or in advance at secretarial@itpclindia.com However, it is requested to raise the queries precisely and in short at the time of Meeting to enable to answer the same.

- Voting instructions for Equity Shareholders at the Meeting. In terms of the provisions of section 107 of the Act read with the aforesaid MCA circular, unless a poll is demanded under section 109 of the Act, voting at the meeting shall be done through show of hands / verbal response by Shareholders.

- In case a poll is demanded, the members/ representatives shall cast their vote on the resolution only by sending an email to secretarial@itpclindia.com from their email ID registered with the Company/ as mentioned in the resolution for corporate authorization received by the Company.

- The Notice of AGM is being sent in electronic mode to Members whose e-mail address is registered with the Company. Members (Physical/ Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in Member updating form by sending an email to secretarial@itpclindia.com.

- The Meeting shall be deemed to be held at the Registered office of the Company at 4th Floor, KPR Tower, Old No.21, New No.2, 1st Street, Subba Rao Avenue, College Road, Chennai-600006

- Since the AGM will be held through VC / OAVM, the route map to the venue is not annexed to this Notice.

EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

As required by Section 102 of the Act, the following statement sets out all material facts relating to the special businesses mentioned under resolutions No: 2 and 3 of the accompanying.

Item No. 2:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2024 on a remuneration of Rs. 2,40,000/- plus applicable Service Tax and reimbursement of out-of- pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors must be ratified by the Shareholders of the Company. Accordingly, approval and consent of the members is sought for passing an Ordinary Resolution as set out in item no. 2 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2024.

Item No. 3:

Mr. Sanjeev Seth was appointed as the Managing Director of the Company w.e.f January 25, 2021 for a tenure of 5 years, i.e upto January 24, 2026. As per the terms of his appointment and considering the nature of responsibilities and the size of business and for having wholesome exposure on all aspects of the Business of the Company, the Nomination and Remuneration Committee in its meeting held on May 30, 2023 approved and recommended the Board to pay out Annual increment of 10% from his current CTC effective from April 1, 2023.

The Board, on the recommendation of the Nomination and Remuneration Committee, has approved 10% increment to Mr. Sanjeev Seth (DIN :07945707) Managing Director and his CTC is revised from Rs. 1.540 Crs (per annum) to Rs. 1.6494 Crs (per annum). Revised annual CTC effective from April 1, 2023 is detailed below:

COMPONENTS	**AMOUNT**	
SALARY	**(Rs. Per Month)**	**(Rs. Per Annum)**
Basic Pay	4,94,000	59,28,000
House Rent Allowance	2,47,000	29,64,000
Special Allowance	5,44,237	65,30,844
GROSS MONTHLY SALARY	**12,85,237**	**1,54,22,844**
Meal Vouchers	3,000	36,000
Leave Travel Allowance	23,000	2,76,000

OTHER ALLOWANCES	**26,000**	**3,12,000**
Provident Fund	59,280	7,11,360
Gratuity	41,150	4,93,800
RETIRALS		**12,05,160**
FIXED COST TO COMPANY		**1,69,40,004**

Accommodation:

Mr. Sanjeev Seth shall be reimbursed on a monthly basis the expenses incurred by him for accommodation at Chennai which shall include rent, maintenance, electricity and other expenses, if any subject to an annual limit of Rs.12 Lakhs.

Car Facility:

Mr. Sanjeev Seth shall be provided with fully company maintained carwith driver. The fuel, maintenance and other expenses, if any, towards the same shall be borne by the Company and shall be subject to the limits of the Company Policy.

Telephone Connection:

Mr. Sanjeev Seth shall be entitled for reimbursement of expenses incurred for Mobile connection at actuals.

Entitlement for Leave:

Mr. Sanjeev Seth shall be entitled for leave as per Company Policy.

Insurance:

Mr. Sanjeev Seth shall be eligible for Mediclaim insurance for self and dependents, Personal Accident insurance for self and Term Life insurance for self as per Company Policy.

Other Benefits:

Mr. Sanjeev Seth shall be entitled to other benefits, if any, applicable for the particular grade as per Company Policy.

Other Terms:

Mr. Sanjeev Seth shall be employed on full time basis and will not be permitted to undertake any other business, work or hold public office, honorary or remunerative, except with the written permission of the Competent Authority in each case.

Mr. Sanjeev Seth shall not be liable to retire by rotation.

The Board of Directors recommends the resolution, as set out in the notice, for members consideration and approval.

None of the Directors/ Key Managerial Personnel and their relatives except Mr. Sanjeev Seth himself are in any way interested or concerned financially or otherwise, in the resolution set out in Item No.3 of the Notice

Board's Report

Dear Members,

The Board of Directors hereby presents the Seventeenth Annual Report on the business and operations of the Company along with the audited Financial Statements, both standalone and consolidated, for the Financial Year ended on March 31,2023.

1. Financial Highlights

(Rs. in million)

Particulars	Standalone		Consolidated	
	2022-23	**2021-22**	**2022-23**	**2021-22**
Income from operations	23,452.88	26,416.53	23,452.88	26,416.53
Other Income	1,117.90	610.97	1,117.90	610.97
Total Income	**24,570.78**	**27,027.50**	**24,570.78**	**27,027.50**
EBITDA	6,317.13	12,482.47	6,308.53	12,471.85
BG Commission	133.20	238.14	133.20	238.14
Depreciation	1983.92	1,971.88	1983.92	1,971.88
Impairment provisions	-	(462.56)	-	(462.56)
Profit/(Loss) before Tax	**4,200.01**	**10,735.01**	**4,191.41**	**10,724.39**
Income Tax Expense/(Benefit)	-	-		-
Profit/(Loss) after Tax	**4,200.01**	**10,735.01**	**4,191.41**	**10,724.39**

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind- AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1,2016.

1. Dividend

The Board of Directors of your Company has not recommended any Dividend for the Financial Year ended on March 31,2023.

2. Management Discussion and Analysis Report

The Management Discussion and Analysis Report on Company's performance, industry trends and other material changes with respect to the Company and its subsidiaries, wherever applicable, are presented in this Annual Report as **Annexure XI**

3. State of affairs of the Company

The State of Affairs of the Company is presented as part of the Management Discussion and Analysis Report forming part of this Report.

4. Subsidiary Companies

The Company has five subsidiaries as at the year-end namely ILFS Maritime Offshore Pte Ltd (IMOL), IL&FS Offshore Natural Resources Pte Ltd (IONRPL), PT Bangun Asia Persada (PT BAP), PT Mantimin Coal Mining (PT MCM) and Se7en Factor Corporation (SFC).

The Consolidated financial statement prepared in accordance with "Ind AS" is made part of the Annual Report.

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC 1 is attached as **Annexure I** to the Annual Report.

The annual accounts and related information of the subsidiaries, where applicable, will be made available upon request. These documents will also be made available for inspection during business hours at the registered office of the Company.

5. Investments in Direct Subsidiaries

During the year under review, the Company did not invest in its direct subsidiary.

6. Directors and Key Managerial Personnel

Details of Directors and Key Managerial Personnel who were appointed or have resigned during the year:

A. Change in Composition of the Board & KMP:

Change in composition of the Board & KMP during the FY 2022-23 is as follows:

Name	Designation	Appointment/Resignation/Change in designation
Mr. Kaushik Modak	Nominee Director	Appointment- 13.05.2022 Change in designation- 30.08.2022
Mr. Neerav Yashwant Kapasi	Director	Resignation - 25.05.2022
Dr. Malini Vijay Shankar	Nominee Director	Resignation-18.7.2022
Mr. Nand Kishore	Nominee Director	Appointment- 18.08.2022
Mr. Feby Koshy Bin Koshy	Nominee Director	Change in designation- 30.08.2022
Mr. Sushil Kumar Agarwal	Chief Financial Officer	Resignation - 30.08.2022
Mr. Saravanan Ranganathan	Chief Financial Officer	Appointment- 30.11.2022

B. Retirement by Rotation:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, No Director retires by rotation as all Directors are Nominee Directors.

C. Independent Directors:

During October 2018, the Board of IL&FS (the ultimate holding company of the Company) was superseded with Government nominated directors to manage the affairs of IL&FS and its group companies of which the Company is a part. Subsequently the existing Independent Directors resigned from the Board of the Company.

Given the situation the IL&FS Group was in, it was difficult to find eminent/suitable independent and women Director to fill the vacancy.

Considering these difficulties the Hon'ble National Company Law Tribunal has vide Order dated April 26, 2019 granted dispensation for mandatory appointment of Independent and woman Directors in IL&FS and its Group Companies.

D. Woman Director:

As stated above, the Hon'ble National Company Law Tribunal vide Order dated April 26, 2019 has granted dispensation regarding mandatory appointment of women directors in IL&FS and its Group Companies of which your Company is a part.

II. Key Managerial Personnel:

Key Managerial Personnel as on March 31, 2023:

a) Mr. Sanjeev Seth, Managing Director (w.e.f. January 25, 2021)
b) Mr. Saravanan Ranganathan, Chief Financial Officer (w.e.f. November 30,2022)
c) Ms. Harshlatha J Lalwani Company Secretary (w.e.f December 3, 2021)

7. Number of meetings of the Board

The Board met six times during the financial year 2022-23 viz., on April 29, 2022, July 8, 2022, August 30, 2022, October 11, 2022, November 30, 2022 and March 27, 2023.

The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

8. Committees of the Board

The Company's Board has formed the following Committees:

- Audit Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility Committee

The details of the membership and attendance of the Meetings of the above committees of the Board are provided in the Corporate Governance report forming part of this Annual Report.

9. Managerial Remuneration Policy

The objective of the Remuneration Policy is to attract, retain and motivate highly qualified members for the Board and Executive level.

The Company's Policy on Directors' Appointment and remuneration and other matters provided in Section 178(3) of the Act is attached as **Annexure II** to the Annual Report.

10. Directors' Responsibility statement

In Compliance with Section 134(5) of the Act, the Board of Directors hereby confirm the following:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

- 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 and loss of the Company for thatperiod;

- 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;

- The annual accounts have been prepared on a going concern basis;

- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and

- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operatingeffectively.

11. Auditor's report for the Financial Year ended March 31, 2023

Messrs. CNK & Associates LLP, Statutory Auditors has audited the Financial Statements of the Company for the Financial Year ended March 31, 2023.

The qualifications made by the Auditor and the explanation to the same are given in **Annexure III**

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

12. AUDITORS:

A. Statutory Auditors

At the Annual General Meeting held on September 26, 2022, Messrs CNK & Associates LLP, Chartered Accountants, (ICAI Firm Registration No.101961W/W-100036), were appointed as the statutory auditors of the Company for a term of 5 (five) consecutive years till the conclusion of the 21st Annual General Meeting of the Company to be held in the calendar year 2027.In accordance with the Companies Amendment Act, 2017, which was notified with effect from May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

B. Cost Auditor

Mr. M Kannan (Firm Registration No. 102185), Cost Accountant, was appointed as Cost Auditor to audit the cost records of the Company for the Financial Year 2022-23.

The Cost Audit report will be filed with the Ministry of Corporate Affairs once it is finalized.

Mr. M Kannan (Firm Registration No. 102185), Cost Accountant, has been appointed as Cost Auditor for auditing the cost records of the Company for the Financial Year 2023-24. In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, appropriate resolution seeking ratification of the remuneration of Mr. M Kannan (Firm Registration No. 102185), Cost Accountant, approved by the Board, is included in the Notice convening the 17th Annual General Meeting of the Company.

C. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company engaged the services of M/s. Aashish Kumar Jain & Associates (CP No. 7353), Company Secretary in Practice, Chennai to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2023. The Secretarial Audit report for the financial year March 31, 2023 in Form No. MR-3 is attached as **Annexure IV** to the Annual Report. The qualifications made by The Secretarial Auditor and explanation to the same are given in **Annexure V** of the Annual Report.

13. Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

Disclosure on particulars of Loans, guarantees and investments under Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

14. Particulars of contracts or arrangements made with related parties referred to in sub-section (1) of Section 188 in the prescribedform

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2 is attached as **Annexure VI** to the Annual Report.

15. Details of material changes and commitments affecting financial position between the end of the financial year and the date of report

There have been no material changes and commitments, affecting the financial position of the Company between the end of the Financial Year and the date of this report.

16. Details of change in nature of business

There has been no change in the nature of business of the Company.

17. Details of significant and material orders passed by the regulators/ courts/tribunals impacting the going concern status and the Company's operations in future

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in the future.

18. Maintenance of cost records

Maintenance of cost records as specified by the Central Government under sub-Section (1) of Section 148 of the Companies Act 2013, is applicable to the Company and accordingly such accounts and records are made and maintained.

19. Energy conservation, Technology Absorption and Foreign Exchange Earnings andOutgo

A) Energy Conservation:

(i) The steps taken or impact on conservation of energy:

The following are the new initiatives taken for energy conservation

a) As a part of Energy Saving 1618 Nos of conventional Light fittings replaced with LED lights. The estimated potential saving of 7.21akh KWh/Year of energy consumption.

b) Variable Frequency Drive (VFD) installed in FGD Process water pump in place of Direct Online starting. This has resulted in savings of 2 LakhKWh/ year.

c) Energy savings by optimizing Air conditioning power for RIO panel in CHP-TI 3, 4, 5 and 7: 0.2Lakh kWh/year.

d) Operation of 2 CW pump instead of 3 pumps when one unit in operation for all weather condition in which energy saving is approx. 11MU/year.

e) All CW pumps, both the unit auxiliary equipment's lube oil pumps, one CCCW pumps are stopped when both units are in shutdown.

f) HVAC one pump and chiller stopped when both unit in shutdown.

g) Unit-1 CCCW pump-8 and CW blow down pump-C energy efficient coating done and found 1.2% pump efficiency improvement.

(ii) The following are the energy optimization constantly being followed

a. Operation of· condensate transfer pump in both units was stopped and water requirement to hot well make-up is taken by gravity and CCCW tank make-up is taken from CEP.

b. Operation of three Sea water intake pump instead of 4 pumps while both units are in operation.

c. Operation of five Cooling water pumps instead of 6 pumps while both units are in operation.

d. During winter season when ambient temperature is low, number of cooling tower fans in operation is reduced.

e. Optimized operation of FGD 02 blower during part load operation.

f. Instrument air for FGD drawn from main plant. FGD compressor was stopped and kept as standby.

g. Optimized operation of agitator in FGD system.

h. Optimization in Slurry recirculation pumps through selective operation.

i. Optimizing the FGD booster fan loading during low content Sulphur coal fire in boiler.

j. Variable Frequency Drive (VFD) installed in LOO forwarding pump in place of Direct Online starting. This has resulted in saving of1200KWh/day.

k. Last year energy Saving 672 Nos of conventional Light fittings replaced with LED lights. This has resulted in saving of 148736 KWh/Year of energy consumption resulting in savings of Rs 4.5 Lakhs/Year.

l. Further various cost savings measures have been put in place like usage of limestone slurry for service water system, etc.

m. Modified the LOO gun nozzle opening diameter from 8 mm to 5.5 mm, thereby reduce the specific oil consumption. During cold start-up LOO consumption reduced from 125 KL to 100 KL, warm start-up from 100 KL to 75 KL.

n. Maintained the APH air leakage below 5.5% against the guarantee of 8%, the 2.5% of reduction in air leakage constitutes a reduction of auxiliary power consumption of boiler draught fans.

(iii) The steps taken by the company for utilizing alternate sources of energy:

Roof top solar plant of capacity 151 KWp has been installed in the parking shed which is meeting the power requirement of Service building and Stores building. Roof Top Solar Power generated in FY21 - 22 is 219735 KWh.

(iv) The capital investment on energy conservation equipment's:

a. As a part of Energy Saving 1618 Nos of conventional Light fittings replaced with LED lights at a cost Rs.50,42,000/-

b. Variable Frequency Drive (VFD) installed in FGD Process water pumps in place of Direct online starter for the energy saving at a cost Rs. 2,10,000/-

B) Technology Absorption:

(i) The efforts made towards technology absorption:

a. Main plant both units & common Distributed Control System Human Machine Interface systems upgradation has been carried out with the migration of Windows XP to Windows 10 with necessary Hardware & Application software's.

b. Phase-I of BOP Control system Operation & Engineering Work stations - 14 Nos Software's Upgradation completed with necessary hardware for CHP(l+l), AHP(2+1), DM Plant(2+1), FGD(2+1), HVAC(l), FFPH(l) &SWIPH(l).

c. SRLDC Data communication through existing BSNL having reliability issue is fixed by taking OPGW channel-2 to service as redundancy for reliable communication.

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

a) Electro chlorination plant 0-Ring has been indigenized which has resulted in availability of indigenous spare part and cost savings of 5.9Lacs.

b) ESP Firing card has been indigenized which has resulted in availability of indigenous spare part and cost savings of 11. 55 Lacs.

c) Plant LV switchgear modular spares parts (19 Numbers) has been indigenized and which has resulted availability of indigenous spare part **(ABB** India).

d) Plant DC system 40 A charger modules has been repaired through local vendors which has resulted in a cost savings of 15.225 Lacs.

e) Main plant HT Switchgear Protection relays (4 Numbers) repaired (by replacing components from unused relays) locally in site which has resulted in a cost savings of "'4.8 Lacs.

f) Coal Mill discharge velocity measurement element has been indigenized. Same was installed & proven.(Ul-5/28 &U2-4/28).

g) CHP BC-9A Belt Scale Controller & U-1 SWAS, Silica Analyzer Mother Board were repaired with change of SMD and restored back which had resulted in a cost saving ofrv6 .5Lacs.

h) In Coal Handling Plant, the following spares have been indigenized and procured from Indian vendors, thus indigenous availability is ensured. Also saved cost of import.

In house development (Inside Plant) of Apron feeder Pan Plate:

1. Cost of in house development: Rs. 4.00 Lacs(Approx.).
2. Cost of procurement if procured from OEM/ Vendor: 18.86 Lacs

i) Coal mill roller weld overlay rebuilding been done at site during mill preventive maintenance and increase the roller life up to 18,000 - 20,000 hours against the guaranteed life of 7,500 hrs.

j) Boiler & allied structure painting has been initiated to maintain the integrity of the structure.

k) Coal mill hoist has been indigenized and installed. Performance suited for the requirement.

l) Boiler HP spray control valves has been indigenized and the cost has been reduced to 113r d cost of the OEM valve (OEM: 15.32 Lakhs; Indigenize : 4.89 Lakhs).

m) Coal nozzle tip & body has been indigenized and the reliability improved by adopting better material of construction, the service life of the nozzle tip has been increased up to 6 months and the nozzle body has been increased up to 36 months.

n) PA fan blade has been indigenized and cost has been reduced by 9 times (OEM: 171.4 Lakhs including import duty; Indigenize: 18.26 Lakhs) .

o) CRH & HRH hydro test block valve pressure seal indigenizes and cost has been reduced by 4 times (OEM: 18.58 Lakhs; Indigenize: 4.52 Lakhs).

p) MOT PHE Cooler inlet strainer introduced to minimize foreign particles entering into cooler plates and leads to gasket/plates damages". Thereby equipment reliability increased .

q) For CCCW PHE, Back washing method implemented, resulting of this maintenance cost & time saved and also equipment reliability improved.

r) Condenser CW line spring support s has been replaced with fabricated I beams. New spring supports cost for one set/unit (16 no's) is 10 Lac. The cost saving for both the units Rs 20Lac.

s) HP Bypass Spray Nozzle internal spares developed and indigenous with Hydro care Engineering. Cost saving done about 18 Lakhs.

t) LOO tanks and associated system painting done to prevent corrosion.

u) Deaerator 100% control valve cost saving & Performance improvement. Since commissioning valve haunting and cage erosion issue was there. After developed with Fisher control valve new valve replaced and performance of the valve found better than old valve.

Advantages on New Indigenized valve:

1) Cost saving about 15 Lakhs
2) Old Valve SPX Valve cost: 33.8 Lakhs
3) New Replaced valve Fisher(Emerson) Valve: 18.5 Lakhs
4) By comparing old valve, new valve performance found better and steady smooth in operation.

v) Valve haunting , Repetitive cage erosion issues are avoided and maintenance cost also saved

i. OEM offered cost - 401acs.
ii. Indigenization procured cost- 20 lacs.

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

a) The details of technology imported: Nil

b) The year of import: NA

c) Whether the technology been fully absorbed: NA

d) If not fully absorbed, areas where absorption has not taken place & the reasons thereof- NA

(iv) The expenditure incurred on Research and Development: NIL

C. Foreign Exchange Earnings and Foreign Exchange Outgo:

a.	**Foreign Exchange Earnings**	***Nil***
b.	**Foreign Exchange Outgo**	***Rs. 58.95 Millions***

20. Risk Management Policy

Disclosure indicating implementation of a Risk Management Policy is provided in the Management Discussion and Analysis Report forming part of this Report.

21. Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility Policy as recommended by the CSR Committee and approved by the Board of Directors of the Company and initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure VII** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy is available on the Company's website(www.itpclindia.com) and attached as Annexure.

22. Share Capital

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

The paid-up share capital as at March 31, 2023 was Rs.2,002,077,640 comprising 200,207,764 equity shares of Rs. 10/- each.

23. Details of issue of securities made during the year:

The Company has not issued any security during the year

(i) Debentures

During the financial year 2016-17, the Company had issued and allotted Redeemable, Secured, Unlisted, Non-Convertible Debentures (NCDs) amounting to Rs. 500 Crores. IDBI Trusteeship Services Limited having their office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001 are the Debenture trustee for thesame.

As on March 31, 2023 the total outstanding value of Non- convertible Debentures was Rs. 500 Crores.

In view of the moratorium, the Company has not serviced interest on the NCDs since December 15, 2018.

500 Fully Compulsorily Convertible Debentures for an aggregate amount of Rs.500 Crores held by Infrastructure Leasing and Financial Services Limited were converted into fully paid up Equity shares with the approval of the Board of Directors on August 17, 2019. Consequently 2,42,37,999 Equity shares of Rs. 10/- each were allotted to Infrastructure Leasing & Financial Services Limited.

24. Board evaluation

As per the provisions of Section 134 (3) (p) of Companies Act, 2013 read with Rule 8(4) of Companies (Accounts) Rules, 2014, the Board of IL&FS Tamil Nadu Power Company Limited is required to undertake formal annual evaluation of its own performance and that of its Committees and individual Directors.

However, the Board of Infrastructure Leasing and Financial Services Limited (IL&FS) (Ultimate Holding Company) is of the opinion that this requirement should not be applicable to IL&FS Group Companies.

The following points were considered by the Board of IL&FS in this regard:-

a) Based on the extract of Hon'ble National Company Law Tribunal Order dated April 26, 2019, it can be inferred that members of the New Board could be considered akin to Independent directors and not the independent directors. In the absence of this view, the Company would also require to have the meeting of Independent Directors as stipulated in the Companies Act, 2013.

b) In the normal circumstances, the Directors are appointed by the shareholders and the Board Evaluation is required to be done pursuant to Companies Act, 2013, so as to report to shareholders about the Evaluation process carried out by the Board. In case of IL&FS, since the Board is appointed by NCLT with specific mandate for resolution considering public interest, the procedure of Board evaluation from the perspective of reporting to shareholders may not be relevant.

c) The purpose and intent of Board evaluation was in essence linked to extension or continuation of the term of appointment of the independent directors. This perspective shall not be applicable in the case of IL&FS and the group companies as there were no Independent Directors and the requirement of appointing Independent Directors has been dispensed with by Hon'ble National Company Law Tribunal order dated April 26,2019.

d) Further, in the absence of Independent Directors, the process of Board evaluation would anyway be truncated due to non-applicability of provisions of Schedule IV of the CompaniesAct'2013.

e) Considering that IL&FS is the first group level insolvency case in India, the Board may want to dwell upon the spirit of the provisions than continuing the process to meet the compliance requirements of thesection.

f) As the New Board has been reviewing the operations of the IL&FS group as a collective body appointed by NCLT, it cannot be compared with promoter lead managements in most other cases and in this sense the distinction between executive and non- executive directors is thin which is governed by MCA appointment orders. In this sense, evaluation of the Board as a whole, would in essence be a formality.

g) In view of the above, IL&FS is under the process of filing an application with Hon'ble National Company Law Tribunal seeking an exemption/clarification from this requirement explaining the rationale for non-applicability of Board

Evaluation to IL&FS Group Companies (which includes ITPCL), after taking the same through Ministry of Corporate Affairs.

25. Internal control system

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors.

26. Vigil mechanism

The Company has established a Vigil Mechanism / Whistle Blower Policy, whereby Employees, Directors and other Stakeholders can report matters such as generic grievances, corruption, misconduct, fraud, misappropriation of assets and non-compliance to code of conduct of the Company. The policy safeguards the whistle blowers to report concerns or grievances and provides direct access to the Chairman of the Audit Committee.

No complaint was received during the year under review.

27. Information required under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013

In accordance with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has adopted the Internal Complaints Committee constituted by IL&FS, with Presiding Officer and / or members of the Internal Complaints Committee (ICC). The Company is bound by the Policy formulated by the aforementioned Committee and employees shall refer any complaint that may arise in the workplace to the above mentioned Committee.

There was no complaint received during the year.

28. Particulars of Employees

The information in respect of employees of the Company required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is enclosed as **Annexure VIII** to the Board's report.

29. Deposits

During the year, the Company did not accept any public deposits under Chapter V of Companies Act, 2013 and did not have any outstanding deposits.

30. Extract of AnnualReturn

An extract of the Annual Return in the prescribed format is appended as **Annexure IX** to the Board's report.

In accordance with Section 134(3) (a) of the Companies Act, 2013, the Annual Return referred to in sub- section (3) of section 92 would also be placed on the website of the Company and accessible at https://www.itpclindia.com/investors.html

31. Proceeding pending under the Insolvency and Bankruptcy Code, 2016

There is no application made during the year.

32. Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

No one time settlement done with the Bankers and Financial Institutions.

By Order of the Board of Directors

Nand Kishore Director	**Sanjeev Seth Managing Director**	**Feby Koshy Bin Koshy Director**	**Kaushik Modak Director**
DIN: 08267502	**DIN: 07945707**	**DIN: 08483345**	**DIN: 01266560**
Date: 31.05.2023 **Place: Delhi**	**Date: 31.05.2023** **Place: Chennai**	**Date: 31.05.2023** **Place: Mumbai**	**Date: 31.05.2023** **Place: Mumbai**

Annexure I

IL&FS | Energy

IL&FS Tamil Nadu Power Company Limited

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing the salient features of the financial statements of Subsidiaries/Associate Companies/joint ventures:

Part "A": Subsidiaries

(Amount in ₹, unless otherwise stated)

S.No	Name of the Subsidiary	ILFS Maritime Offshore Pte Ltd	IL&FS Offshore Natural Resources Pte Ltd	Se7en Factor Corporation	PT Bangun Asia Persada	PT Mantimin Coal Mining
		(a)	(b)	(c)	(d)	(e)
1	Reporting Period	April 01,2022 to March 31,2023	April 01,2022 to March 31,2023	April 01,2022 to March 31,2023	April 01,2022 to March 31,2023	April 01,2022 to March 31,2023
2	Reporting Currency and Exchange Rate as on March 31,2023	USD Exchange Rate 82.18	USD Exchange Rate 82.18	USD Exchange Rate 82.18	IDR Exchange Rate 0.0055	IDR Exchange Rate 0.0055
3	Share Capital	2,35,51,00,000	11,08,797	4,51,400	99,79,78,787	Refer note (f)
4	Reserves and Surplus	(10,48,92,31,449)	(3,12,68,443)	26,49,89,631	(74,30,30,038)	Refer note (f)
5	Non-Controlling Interest	-	-	-	(3,20,36,566)	Refer note (f)
6	Total assets	1,21,78,56,333	26,53,897	26,70,87,275	1,37,23,95,972	Refer note (f)
7	Total Liabilities	9,35,19,87,782	3,28,13,543	16,46,244	1,14,94,83,790	Refer note (f)
8	Investments	52,48,35,535	25,82,791	-	-	Refer note (f)
9	Turnover (including other income)	-	-	-	-	Refer note (f)
10	Profit/(loss) before taxation	(33,42,51,192)	(8,90,429)	(1,80,023)	(61,23,595)	Refer note (f)
11	Provision for taxation	-	-	-	-	Refer note (f)
12	Profit/(loss) after taxation	(33,42,51,192)	(8,90,429)	(1,80,023)	(61,23,595)	Refer note (f)
13	Proposed dividend	Nil	Nil	Nil	Nil	Nil

14	% of shareholding by the company	1	1	1	1	95%

Notes:

a. Percentage holding is disclosed based on aggregation of direct holding of the company and shareholding of the subsidiary.
b. ILFS Maritime Offshore Pte Ltd is a wholly owned subsidiary of IL&FS Tamil Nadu power Company Limited.
c. IL&FS Offshore Natural Resources Pte Ltd is a wholly owned subsidiary of ILFS Maritime Offshore Pte Ltd.
d. Se7en Factor Corporation is a wholly owned subsidiary of ILFS Maritime Offshore Pte Ltd.
e. ILFS Maritime Offshore Pte Ltd and IL&FS Offshore Natural Resources Pte Ltd together holds 100% shares in PT Bangun Asia Persada in the ratio of 99:1. Financial Information given in the above statement for PT Bangun Asia Persada is based on Consolidated Financial Statements.
f. PT Mantimin Coal Mining is a subsidiary of PT Bangun Asia Persada which holds 95% of shares. Numbers of PT Mantimin Coal Mining are Consolidated with PT Bangun Asia Persada.
g. None of the subsidiaries of the company have commenced operations.
h. None of the subsidiaries have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amount in ₹, unless otherwise stated)

S. No	Name of Associates/Joint Ventures	Cuddalore Solar Power Private Limited
1	**Latest audited Balance Sheet Date**	31.03.2023
2	**Shares of Associate/Joint Ventures held by the company on the year end**	
	No.	17,600
	Amount of Investment in Associates/Joint Venture	176,000
	Impairment provided during the year	176,000
	Extend of Holding %	26%
3	**Description of how there is significant influence**	By virtue of shares held to an extent of 26%
4	**Reason why the associate/joint venture is not consolidated**	N.A
5	**Net worth attributable to Shareholding as per latest audited Balance Sheet**	(176,000)
6	**Profit / Loss for the year**	
	i) Considered in Consolidation	-
	ii)Not Considered in Consolidation	-

Note:-

a) *Cuddalore Solar Power Private Limited is a Joint Venture Company between IL&FS Tamil Nadu Power Co. Ltd and IL&FS Renewable Energy Ltd (Now merged with IL&FS Energy Development Company Limited).*

b) *Cuddalore Solar Power Private Limited is yet to commence operations.*

c) *An Official liquidator has been appointed on March 31, 2023*

IL&FS | Energy

IL&FS Tamil Nadu Power Company Limited

By Order of the Board of Directors

Nand Kishore Director	**Sanjeev Seth Managing Director**	**Feby Koshy Bin Koshy Director**	**Kaushik Modak Director**
DIN: 08267502	**DIN: 07945707**	**DIN: 08483345**	**DIN: 01266560**
Date: 31.05.2023	**Date: 31.05.2023**	**Date: 31.05.2023**	**Date: 31.05.2023**
Place: Delhi	**Place: Chennai**	**Place: Mumbai**	**Place: Mumbai**

Saravanan Ranganathan	**Harshlatha Lalwani**
Chief Financial Officer	**Company Secretary**
Date: 31.05.2023	**Date: 31.05.2023**
Place: Chennai	**Place: Chennai**

Annexure II

Managerial Remuneration Policy

I. Preamble:

The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "Senior Management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

II. Aims & Objectives:

The aims and objectives of this remuneration policy may be summarized as follows:

(1) The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and Executive level.

(2) The remuneration policy seeks to enable the company to provide a well-balanced and performance-related compensation package, taking into account Shareholder's interests, industry standards and relevant Indian corporate regulations.

(3) The remuneration policy will ensure that the interests of Board members & Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.

(4) The remuneration policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Effective Date:

This policy shall be effective from **April 1, 2014.**

III. Compensation Forums:

Nomination & Remuneration Committee:

Nomination & Remuneration Committee was constituted in March 2014 to oversee the remuneration of the Whole-time Directors of the Company, determine the quantum and distribution of Performance Related Pay to employees including the Whole-time Directors of the Company.

IV. Statutory Provisions:

(1) Pursuant to the notification of the Companies Act 2013 effective April 01, 2014, the following provisions thereof have been considered while formulating the Remuneration Policy at ITPCL :

(a) Remuneration for Whole-time, Non-Executive Directors, Key Management Personnel and Senior Management.
(b) Role of the Nomination and Remuneration Committee.
(c) Disclosures in the Directors'Report

V. Objective:

(1) The key objective of the Managerial Remuneration Policy is to enable a framework that allows competitive and fair rewards for the achievement of key deliverables.

(2) While deciding remuneration for the Whole-time Directors' various factors such as the market scenario, business performance of ITPCL are considered.

(3) Rationale for Remuneration Framework:

(a) Internal Ratios: The Compensation package for Managerial Personnel at level/s lower than Whole-time Director is revised annually in the form of performance increments, structural improvements and Cost of Living Adjustments. This has led to a compressing of the compensation differential between the lowest and highest levels of executive management.

(b) Compliance & Risk Parameters: In view of Company law regulations, the compliance roles of Whole-time Directors far outweigh that of any other level, and consequently the risk parameters associated with these jobs are of a significantly higher level as compared to the junior levels.

VI. Remuneration Pattern:

(1) **Structure** : A summary of the current structure set for the Whole-time Directors is as mentioned below :

Components	Item	Description	Policy
Base Salary	• Reflects the Directors'experience, criticality of the role with the Group and the risk factor involved.	• Consolidated Salary fixed for each financial year. • This component is also used for paying retiral benefits. • Paid on a monthly basis.	Normally positioned as the highest as compared to the Group.
Short-term incentive/ PRP	• Based totally on the performance of the Director.	• Variable component of the remuneration package. • Paid on an annual basis.	Determined by the Compensation Committee after year-end based on performance against the pre-

Components	Item	Description	Policy
			determined financial and non-financial metrics.
Retiral Benefits	• Provide for sustained contribution.	• Accrues depending on length on service. It is 20.33% of Consolidated Pay.	Paid post separation from the Company as per the Rules of the Provident Fund and Gratuity Acts.

(2) **Base Salary:** The Shareholders of the Company, while approving the appointment of the Whole-time Directors approve the gross salary of the Whole-timeDirectors.

(3) **Perquisites and benefits**: All other benefits are as per the rules of the Company. In addition to the above remuneration, the Whole-time Directors are also entitled to perquisites as per the Rules of the Company.

(4) **Short-Term Incentive Plan ('STIP')**:

(a) The Company operates variable pay scheme called as "Performance Related Pay" [PRP]. Amendments to the PRP scheme is made to suit the Organization's business and performance.

(b) In determining the actual PRP payments, the factors which are usually considered are Operational performance against budget / target.

VII. Key Management Personnel:

(1) The Key Management Personnel (KMP) in ITPCL are Chairman, Managing Director, Chief Financial Officer, and Company Secretary (CS).

(2) The KMPs have operational responsibilities in addition to the responsibilities specified by the Companies Act, 2013.

(3) The remuneration package of the Key Management and Senior Management comprises of :

(a) **Fixed Remuneration**: This includes a Monthly Salary such as Consolidated Pay, Variable House Rent Allowance, Compensatory Allowance, Utility Allowance, Special allowance and Children Education Allowance.

(b) **Annual Allowances**: This consists of Leave Travel Allowance, Medical Reimbursement and House Maintenance Allowance.

(c) **Retirals**: This includes Provident Fund @ 12% of Consolidated Pay and Gratuity @ 8.33% of Consolidated Pay.

(VIII) Non-Whole Time Directors:

Non-Whole-Time Directors are paid Sitting Fees for attending the Board / Board Committee/s Meetings in accordance with the Companies Act, 2013. The Board is responsible for setting policy in relation to the remuneration of the Non-Whole Time Directors.

(IX) Remuneration Mix:

The total remuneration package of Directors and KMPs is designed to provide an appropriate balance between fixed and variable components with focus on Performance Related Pay so that outstanding performance is incentivized but without encouraging excessive risk taking.

(X) Role of the Nomination and Remuneration Committee (NRC):

The role of the Nomination and Remuneration Committee (NRC) will inter alia be the following:

a. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management.
b. Recommending to the Board their appointment and removal.
c. Carrying out evaluation of every Director's performance.
d. To determine and recommend to the Board the remuneration payable to the Directors.
e. To review and approve the HR Policies of the Company and to oversee the Human resources strategy.

NRC would play a pivotal role in ensuring the governance as follows:

i. Identification, appointment of Directors, Key Managerial Personnel and Senior Management.

ii. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend Managerial Remuneration Policy to the Board for remuneration for the directors, key managerial personnel and senior other employees.

(XI) Disclosures:

Under the provisions of CA 2013, the Board of Directors would have to disclose the details of managerial remuneration in the Director's Report to the Shareholders.

(XII) Review and Modification:

Effectiveness of the Managerial Remuneration Policy is ensured through periodical review. The Board of Directors of ITPCL may amend or modify this Policy in whole or in part at any time.

Annexure III

Explanation or comments by the Board of Directors on Qualification, Reservation or adverse remark or disclaimer made by the Auditors in their Report on the Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2023

Sl. No	Qualification, reservation or adverse remark or disclaimer made	Explanation or comments by the Board of Directors
1	Note 41 regarding the investments (net of provisions) in ILFS Maritime Offshore Pte Ltd. Singapore (a subsidiary of the company), of Rs. 612.46 million as at March 31, 2023 (previous year-Rs. 612.46 million), in respect of which no provision for impairment in investment has been made. We are unable to obtain sufficient appropriate audit evidence of the carrying value of such investments, and consequently, unable to comment on the any further adjustments that may be required to be recognized in this regard	During the year 2020-21, based on the management's estimate the Company has made provision for impairment on Investment of Rs. 1,742.64 million, in ILFS Maritime Offshore Pte Ltd, Singapore (a subsidiary of the Company). The balance amount of Investment of Rs. 612.46 mn represents the expected realization / recoverable value of the said Investment / loan receivable. The underlying assets of the investments are in coal mine companies having coal reserves of approx. 110 Million MT. Management is exploring the possibility of operating the mines through MDO. Which shall result in income generation at mining companies and investments yield returns.
2.	Note 43 to the standalone financial statements, relating to contractual liabilities not accounted for the reasons stated in the said note. In our opinion, the Company may be required to account for the liabilities aggregating Rs. 6,655.58 million as at March 31, 2023 (PY- Rs.6,655.58 million). Further, pending the final assessment and determination of various claims received as stated in Note 43 we are unable to comment on the adjustments that may be required in this regard, to the standalone financial statements	Claims management exercise has been initiated by the New Board for IL&FS and its group companies including ITPCL. The details in relation to the same are available on the website of IL&FS - www.ilfsindia.com. In this regard, the creditors' claims management is undertaken by Grant Thornton (GT), the claims management consultant. The Creditor claims in respect of IL&FS have been invited, verified and admitted by M/s Grant Thornton, with a cut-off date of October 15, 2018 in line with NCLAT directions. This claims management process duly records the nature of security charge specific to each creditor. Adjustments if any arising out of this exercise shall be carried out after final reconciliation/implementation of debt resolution.

Sl. No	Qualification, reservation or adverse remark or disclaimer made	Explanation or comments by the Board of Directors
3.	We draw attention to Note 27 to the accompanying standalone financial statements, stating that the value of trad e and other payables in foreign currency has been restricted to the liability in INR as crystalized on October 15, 2018 and not restated as at closing rate as on reporting date as per reasons mentioned in the note. The same is not in compliance with Ind AS 21 - The Effect Changes in Foreign Exchange Rates. Accordingly, profit for the year ended 31 st March 2023 has been overstated by Rs. 437.37 million (Previous Year by Rs.153.48 million). As a result, trade and other payables as on reporting date is understated by Rs.559.29 million (Previous Year by Rs.121.92 million) with corresponding impact on retained earnings	Hon'ble NCLAT vide its judgement dated March 12, 2020, has approved the revised Resolution Framework submitted by New Board of IL&FS Limited along with its amendments. In said order, Hon'ble NCLAT has also approved October 15, 2018 as the Cut Off date for initiation of resolution process of the Group. Since the claim management process that is being followed is the same as IBC, foreign currency loan value has been restricted to the liability in INR as on October 15, 2018 and accordingly foreign currency variation has not been recognised subsequent to that.

	Auditors' Emphasis	Explanation or comments by the Board of Directors
1.	Our observations in above paragraph of 'Material uncertainty related to Going Concern' whereby the standalone financial statements are prepared on 'Going Concern' basis;	The reasons for preparing financial statements on the basis going concern are listed below against each observation.
a.	Though the net worth of the Company as on March 31, 2023 is Rs. 20,058.89 million (PY Rs. 15,859.40 million), if the non-provision of finance cost estimated to Rs. 51,452.90 million (PY Rs. 38,843.82 million) is considered (Refer Note 15.6 to the standalone financial statements) till the reporting date, the net worth would be negative Rs. 31,394.01 million (PY Rs.22,984.42 million);	Net worth includes accumulated losses which are primarily due to the underutilization of Unit II of the power plant in the early period of its operations, in absence of a structured revenue generation mechanism. The Company is able to supply power through short term contract and regularly bidding for short and medium term opportunities and also secured certain remunerative short term PPA. Otherwise there is opportunity to sell in Open market through exchange depending upon price. Further, the cash flows projections prepared by management covering the period up to financial year 2040-41 (i.e. co-terminus with the tenure of the Company's borrowings as of date), in respect of both Unit I and Unit II in the aggregate, shows net positive cash flows, based on which management is confident that the Company will be able to carry on its regular operations, generate sufficient cash flows from operations and pay its liabilities as they fall

	Auditors' Emphasis	Explanation or comments by the Board of Directors
		due, during the next 12 months and the foreseeable future. Company is also going through debt restructuring process and on implementation of debt restructuring the interest liability would reduce significantly from the amount of Rs 51,452.90 mentioned above.
b.	As reported in Note 15.6, the Company has defaulted on payments of borrowings;	In accordance with the NCLAT order and in view of the moratorium, the Company has not paid for interest on debt / dues to the Lenders post the cut-off date of 15 October 2018 up to 31 March 2023. This will be paid basis the implementation of the restructuring plan.
c.	Further, as at March 31, 2023, the current liabilities of the Company aggregating to Rs.94,579.18 million (PY Rs.93,780.37 million) exceed the current assets aggregating to Rs. 45,575.84 million (PY Rs.37,970.52 million);	The current liabilities exceeds the current assets owing to classification of book debts of Rs. 15,333.44 Million to non-current asset, basis the payment of arrears through instalment scheme. However the company has represented in various forums for early payment of the said dues and accordingly the book debts would be reclassified in future, and thus resulting an improvement in Current assets balance. The existing current liabilities includes the entire outstanding borrowings and the same would be rescheduled once the current debt resolution is approved and implemented.
2.	Note 15.8 and Note 15.9 to the standalone financial statements, wherein it is stated that pursuant to National Company Law Appellate Tribunal (NCLAT) order dated October 15, 2018 related to crystallisation of claims as of cut-off date (i.e. October 15, 2018 for loans from banks and debentures, and October 31, 2018 for cash credit accounts), and that no interest, additional interest, default interest, penal charges or other similar charges are to be accrued after the cut- off date	In accordance with the NCLAT order and in view of the moratorium, the Company has not accounted for interest on debt / dues to the Lenders post the cut-off date of 15 October 2018 up to 31 March 2023. This will be accounted basis the implementation of the restructuring plan.
3.	Note 15.10 to the standalone financial statements, wherein it is stated that for reasons stated in that note, the Company has not recorded the net difference of Rs. 30,478.10 million as of March 31, 2023 (previous year Rs. 19,172.40 million) between balances as per books of the company and as per	The difference represents additional / penal interest charged by various banks in the consortium, which is not payable by the Company as a consequence of the moratorium granted by Hon'ble NCLAT. Accordingly, the Company has not accepted / admitted the same.

	Auditors' Emphasis	Explanation or comments by the Board of Directors
	bank and financial institutions in respect of loans from banks and financial institutions	The differences shall be reconciled and adjusted post implementation of debt restructuring.
4.	Note 44, relating to the regulatory order for re-opening of books of accounts and re-casting of financial statements of certain group companies, and Note 45, relating to the forensic investigation process initiated but not yet concluded in respect of entities in the group, including the Company, when possible consequential effects on the standalone financial statements cannot be determined as of even date;	The Company had entered into transactions with IL&FS, IFIN and ITNL during the aforementioned years and the Board of Directors of the Company have reviewed these transactions and has evaluated the impact of this order on the Company. Based on such evaluation, and having regard to the fact that no such directions for re-opening of books of account or re-casting of financial statements of the Company has been issued till date, management is of the view that the re-opening of books of accounts and re-casting of financial statements of IL&FS, IFIN and ITNL does not have any impact on the financial statements of the Company as at and for the year ended March 31, 2023 and March 31, 2022. There are no transactions entered into by the Company with IL&FS, IFIN and ITNL during the current financial year.
5.	As stated in note 46 to the accompanying standalone financial statements, the Company is not in compliance with certain requirements/ provisions of applicable laws and regulations as more fully stated in that note. Pending final determination by management of the financial and other consequences arising from such non-compliances, no adjustments have been made to the accompanying financial statements.	National Company Law Tribunal has vide order dated April 26, 2019 granted dispensation from mandatory appointment of Independent and women Directors in IL&FS and its Group Companies. As a consequence of the matters described in Note 1.2 and Note 50 and various other matters discussed in these financial statements, the company may not be in compliance with certain laws and regulations, including but not limited to certain provisions of The Companies Act, 2013. Management is in the process of evaluating the various consequences arising from such non compliances including their financial and operational impact. Pending final determination and assessment thereof, no adjustments have been made to these financial statements. As a result of the forensic audit referred in Note 48 above, non-compliance in the period up to

	Auditors' Emphasis	Explanation or comments by the Board of Directors
		October 15, 2018, of, certain covenants in respect of loans taken by the company, have been identified. Having regard to the company's ongoing discussion with lenders and the matters stated in Note 1.2 above, no further adjustments have been considered necessary to these financial statements, in that regard

By Order of the Board of Directors

Nand Kishore Director
DIN: 08267502
Date: 31.05.2023
Place: Delhi

Sanjeev Seth Managing Director
DIN: 07945707
Date: 31.05.2023
Place: Chennai

Feby Koshy Bin Koshy Director
DIN: 08483345
Date: 31.05.2023
Place: Mumbai

Kaushik Modak Director
DIN: 01266560
Date: 31.05.2023
Place: Mumbai

Explanation or comments by the Board of Directors on Qualification, Reservation or adverse remark or disclaimer made by the Auditors in their Report on the Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2023

Sl. No	Qualification made by Auditors	Explanation or comments by the Board of Directors
1	The accompanying consolidated financial statements include Rs.486.98 million, Rs. 8.63 million and Rs. (0.31) million (PY Rs. 472.65 million, Rs. 10.45 million and Rs. 0.35 million) of total assets, total losses and net cash flows, respectively, pertaining to Company's subsidiaries whose consolidated financial statements have been prepared by management but have not been audited. We are unable to comment on the consequential effects, had such consolidated financial statements been audited	The management financial statements of the overseas subsidiaries have been prepared under the respective GAAP's and the same was duly converted into Ind AS Financial Statements for the purpose of consolidation by the management.
2	Note 2 to the consolidated financial statements regarding determination of recoverable value, and provision of impairment of property, plant and equipment in the previous year. As discussed in that Note, any future changes to estimates, assumptions and dependencies on external factors, including inter alia the extension of power purchase agreement with the state electricity distribution company/ entering into new revenue agreements, continued validity of the various assumptions made, consideration by management, may affect the recoverable value of the related assets and consequently the provision for impairment recorded by the Group	During the year 2020-21, based on the management's estimate the Company has made provision for impairment on Investment of Rs. 1,742.64 million, in ILFS Maritime Offshore Pte Ltd, Singapore (a subsidiary of the Company). The balance amount of Investment of Rs. 612.46 mn represents the expected realization / recoverable value of the said Investment / loan receivable. The underlying assets of the investments are in coal mine companies having coal reserves of approx. 110 Million MT. Management is exploring the possibility of operating the mines through MDO. Which shall result in income generation at mining companies and investments yield returns.

Sl. No	Qualification made by Auditors	Explanation or comments by the Board of Directors
3.	Note 43 to the consolidated financial statements, relating to contractual liabilities not accounted for, for the reasons stated in the said note. In our opinion, the Company may be required to account for the liabilities aggregating Rs. 6,655.58 million as at March 31, 2023 (PY Rs.6,655.58 million). Further, pending the final assessment and determination of various claims received as stated in Note 43 we are unable to comment on the adjustments that may be required in this regard, to the consolidated financial statements	Claims management exercise has been initiated by the New Board for IL&FS and its group companies including ITPCL. The details in relation to the same are available on the website of IL&FS - www.ilfsindia.com. In this regard, the creditors' claims management is undertaken by Grant Thornton (GT), the claims management consultant. The Creditor claims in respect of IL&FS have been invited, verified and admitted by M/s Grant Thornton, with a cut-off date of October 15, 2018 in line with NCLAT directions. This claims management process duly records the nature of security charge specific to each creditor. Adjustments if any arising out of this exercise shall be carried out after final reconciliation/implementation of debt resolution.
4.	We draw attention to Note 27 to the accompanying financial statements, stating that the value of trade and other payables in foreign currency has been restricted to the liability in INR as crystalized on October 15, 2018 and not restated as at closing rate as on reporting date as per reasons mentioned in the note. The same is not in compliance with Ind AS 21 - The Effect Changes in Foreign Exchange Rates. Accordingly, profit for the year ended 31st March 2023 has been overstated by Rs. 437.37 million (Previous Year by Rs.153.48 million). As a result, trade and other payables as on reporting date is understated by Rs.559.29 million (Previous Year by Rs.121.92 million) with corresponding impact on retained earnings;	Hon'ble NCLAT vide its judgement dated March 12, 2020, has approved the revised Resolution Framework submitted by New Board of IL&FS Limited along with its amendments. In said order, Hon'ble NCLAT has also approved October 15, 2018 as the Cut Off date for initiation of resolution process of the Group. Since the claim management process that is being followed is the same as IBC, foreign currency loan value has been restricted to the liability in INR as on October 15, 2018 and accordingly foreign currency variation has not been recognised subsequent to that.

	Auditors' Emphasis	Explanation or comments by the Board of Directors
1.	Our observations in above paragraph of 'Material uncertainty related to Going Concern' whereby the standalone financial statements are prepared on 'Going Concern' basis;	The reasons for preparing financial statements on the basis going concern are listed below against each observation.
a.	Though the consolidated net worth of the Group as on March 31, 2023 is Rs.19,403.62 million (PY Rs. 15,224.57 million), if the non-provision of finance cost estimated to Rs.51,452.90 million (PY Rs.38,843.82 million) is considered (Refer Note 15.6 to the consolidated financial statements) till the reporting date, the net worth would be negative Rs. 32,049.28 million (PY Rs.23,619.25 million);	Net worth includes accumulated losses which are primarily due to the underutilization of Unit II of the power plant in the early period of its operations, in absence of a structured revenue generation mechanism. The Company is able to supply power through short term contract and regularly bidding for short and medium term opportunities and also secured certain remunerative short term PPA. Otherwise there is opportunity to sell in Open market through exchange depending upon price. Further, the cash flows projections prepared by management covering the period up to financial year 2040-41 (i.e. co-terminus with the tenure of the Company's borrowings as of date), in respect of both Unit I and Unit II in the aggregate, shows net positive cash flows, based on which management is confident that the Company will be able to carry on its regular operations, generate sufficient cash flows from operations and pay its liabilities as they fall due, during the next 12 months and the foreseeable future. Company is also going through debt restructuring process and on implementation of debt restructuring the interest liability would reduce significantly from the amount of Rs 51,452.90 mentioned above.
b.	As reported in Note 15.6, the Holding Company has defaulted on payments of borrowings;	In accordance with the NCLAT order and in view of the moratorium, the Company has not paid for interest on debt / dues to the Lenders post the cut-off date of 15 October 2018 up to 31 March 2023. This will be paid basis the implementation of the restructuring plan.

	Auditors' Emphasis	Explanation or comments by the Board of Directors
c.	Further, as of March 31, 2023, the current liabilities of the Group aggregating to Rs. 95,107.27 million (PY Rs.94,274.02 million) exceed the current assets aggregating to Rs. 45,577.67 million (PY Rs.37,972.56 million);	The current liabilities exceeds the current assets owing to classification of book debts of Rs 15,333.44 Million to non-current asset, basis the payment of arrears through instalment scheme. However the company has represented in various forums for early payment of the said dues and accordingly the book debts would be reclassified in future, and thus resulting an improvement in Current assets balance. The existing current liabilities includes the entire outstanding borrowings and the same would be rescheduled once the current debt resolution is approved and implemented.
2.	Note 15.8 and Note 15.9 to the consolidated financial statements, wherein it is stated that pursuant to National Company Law Appellate Tribunal (NCLAT) order dated March 12, 2018 related to crystallisation of claims as of cut-off date (i.e. October 15, 2018 for loans from banks and debentures, and October 31 2018 for cash credit accounts), and that no interest, additional interest, default interest, penal charges or other simi lar charges are to be accrued after the cut- off date;	In accordance with the NCLAT order and in view of the moratorium, the Company has not accounted for interest on debt / dues to the Lenders post the cut-off date of 15 October 2018 up to 31 March 2023. This will be accounted basis the implementation of the restructuring plan.
3.	Note 15.10 to the consolidated financial statements, wherein it is stated that for reasons stated in that note, the Company has not recorded the net difference of Rs. 30,478.10 million as of March 31, 2023 (previous year Rs. 19,172.40 million) between balances as per books of the company and as per bank and financial institutions in respect of loans from, banks and financial institutions	The difference represents additional / penal interest charged by various banks in the consortium, which is not payable by the Company as a consequence of the moratorium granted by Hon'ble NCLAT. Accordingly, the Company has not accepted / admitted the same. The differences shall be reconciled and adjusted post implementation of debt restructuring.
4.	Note 44, relating to the regulatory order for re-opening of books of accounts and re-casting of financial statements of certain group companies, and Note 45, relating to the forensic investigation process initiated but not yet concluded in respect of entities in the group, including the Company, when possible consequential effects on the consolidated	The Company had entered into transactions with IL&FS, IFIN and ITNL during the aforementioned years and the Board of Directors of the Company have reviewed these transactions and has evaluated the impact of this order on the Company. Based on such evaluation, and having regard to the fact that no such directions for re-opening of books of account or re-casting of financial statements of

	Auditors' Emphasis	Explanation or comments by the Board of Directors
	financial statements cannot be determined as of even date;	the Company has been issued till date, management is of the view that the re-opening of books of accounts and re-casting of financial statements of IL&FS, IFIN and ITNL does not have any impact on the financial statements of the Company as at and for the year ended March 31, 2023 and March 31, 2022. There are no transactions entered into by the Company with IL&FS, IFIN and ITNL during the current financial year.
5.	Note 46 to the consolidated financial statements regarding certain non-compliances of laws and regulations (including certain requirements of the Act), and non-compliance of certain loan covenants.	National Company Law Tribunal has vide order dated April 26, 2019 granted dispensation from mandatory appointment of Independent and women Directors in IL&FS and its Group Companies. As a consequence of the matters described in Note 1.2 and Note 50 and various other matters discussed in these financial statements, the company may not be in compliance with certain laws and regulations, including but not limited to certain provisions of The Companies Act, 2013. Management is in the process of evaluating the various consequences arising from such non compliances including their financial and operational impact. Pending final determination and assessment thereof, no adjustments have been made to these financial statements. As a result of the forensic audit referred in Note 48 above, non-compliance in the period up to October 15, 2018, of, certain covenants in respect of loans taken by the company, have been identified. Having regard to the company's ongoing discussion with lenders and the matters stated in Note 1.2 above, no further adjustments have been considered necessary to these financial statements, in that regard

By Order of the Board of Directors

Nand Kishore Director	**Sanjeev Seth Managing Director**	**Feby Koshy Bin Koshy Director**	**Kaushik Modak Director**
DIN: 08267502	**DIN: 07945707**	**DIN: 08483345**	**DIN: 01266560**
Date: 31.05.2023 **Place: Delhi**	**Date: 31.05.2023** **Place: Chennai**	**Date: 31.05.2023** **Place: Mumbai**	**Date: 31.05.2023** **Place: Mumbai**

Annexure V

Explanation or comments by the Board of Directors on Qualification, Reservation or adverse remark or disclaimer made by Secretarial Auditors in their Secretarial Audit Report for the Financial Year ended on March 31, 2023:

Sr.No	Qualifications	Explanation/Comments by the Board
1	Pursuant to the provisions of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Company was required to have at least two Independent Directors on the Board of the Company and was required to fill any intermittent vacancy not later than immediate next Board meeting or three months from the date of such vacancy whichever is later. However, the Company could not comply with the same after the resignation of Independent Directors during the year 2019-20.	In this regard, as informed by the management we note that the National Company Law Tribunal has vide order dated April 26, 2019 granted dispensation from mandatory appointment of Independent and woman Directors in IL&FS and its Group Companies of which the Company is a part.
2	Consequent to resignation of Independent directors as mentioned above the constitution of the Audit Committee and Nomination and Remuneration Committee was not in compliance with the Section 177 and 178 of the Companies Act, 2013 respectively.	However, considering that the National Company Law Tribunal has vide order dated April 26, 2019 granted dispensation from mandatory appointment of Independent Directors in IL&FS and its Group Companies, the composition of the Audit Committee and Nomination & Remuneration Committee are in compliance with the provisions of the Companies Act, 2013.
3	Company to take necessary steps ensuring statutory compliance of section 135(5)	In this regard and as informed by the Company that group level and CAM vetting of the application of exemption is done and the same has been concurred by ITPCL Board of Directors, that application for CSR exemption has been filed with Ministry of Corporate Affairs on 18th May 2023.

By Order of the Board of Directors

Nand Kishore Director	**Sanjeev Seth Managing Director**	**Feby Koshy Bin Koshy Director**	**Kaushik Modak Director**
DIN: 08267502	**DIN: 07945707**	**DIN: 08483345**	**DIN: 01266560**
Date: 31.05.2023 **Place: Delhi**	**Date: 31.05.2023** **Place: Chennai**	**Date: 31.05.2023** **Place: Mumbai**	**Date: 31.05.2023** **Place: Mumbai**

ANNEXURE VI

FORM NO: AOC - 2

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 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 to 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.

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis

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

Sr.No	Name of Related Party	Duration of the contracts/ arrangements/ transactions	Nature of contracts/ arrangements/ transactions	Salient terms of the contracts or or transactions the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	IL&FS Maritime Infrastructure Company Limited (Fellow Subsidiary)	Till June 23, 2021	Rental Income	Rs. 0.01 million per month. Total amount of transaction during the year: 0.14 mn. Total amount received during FY 2020-21 - NIL	18.11.2019	-
2	Porto Novo Maritime Limited (Fellow Subsidiary)	Till June 23, 2021	Rental Income	Rs. 0.01 million per month Total amount of transaction during the year:.0.14 mn Total amount received during FY 2020-21 - NIL	18.11.2019	-

By Order of the Board of Directors

Nand Kishore Director	**Sanjeev Seth Managing Director**	**Feby Koshy Bin Koshy Director**	**Kaushik Modak Director**
DIN: 08267502	**DIN: 07945707**	**DIN: 08483345**	**DIN: 01266560**
Date: 31.05.2023	**Date: 31.05.2023**	**Date: 31.05.2023**	**Date: 31.05.2023**
Place: Delhi	**Place: Chennai**	**Place: Mumbai**	**Place: Mumbai**

ANNEXURE VII

Annual Report on Community Development and Services / Corporate Social Responsibility CSR activities

1.Brief outline on CSR Policy of the Company:

The Company has been in the forefront of Community Development and services activities it is based on the CSR Policy derived from the Parent Company's policy and designed with a belief that creating possibilities of economic inclusion powered by skilling and supporting livelihood creations, is the most effective way to manage challenges posed by poverty, inequality and unemployment in India.

2.Composition of the CSR Committee-:

S. No	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR attended during the year
1	Mr. Feby Koshy Bin Koshy	Nominee Director	1	1
2	Mr. Nand Kishore	Nominee Director	1	1
3	Mr. Kaushik Modak	Nominee Director	1	1

3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	https://www.itpclindia.com/investors.html
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	Not applicable
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules 2014, if applicable (attach the report).	

SI no	Financial year	Amount available for Set off from preceding financial years (in rs)	Amount required to be set- off for the financial year, if any (in rs)
1	2020-21	5346082	NIL
2	2021-22	24719853	NIL
3	2022-23	23505681	NIL
	Total	**53571616**	NIL

6 Average net profit of the company as per section 135(5). NIL

7 a) Two percent of average net profit of the company as per section 135(5) NIL

b) Surplus arising out of the CSR projects or programs or activities of the previous financial years. NIL

c) Amount required to be set off for the financial year, if any NIL

d) Total CSR obligation for the financial year (7a+7b- 7c). NIL

8 a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of The Fund	Amount	Date of Transfer
2,35,05,681	N.A.	N.A.	N.A.	N.A.	N.A.

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

c) Details of Community Development and Services Projects taken up during the year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs Lakhs.).	Mode of implementation Direct (Yes/No).	Mode of implementation – Through implementing agency.	
				State	District			Name.	CSR registration number
1.	Health camp & eye camps at various locations near plant area.	Clause (ii) Health & Sanitation	Yes	Tamil Nadu	Cuddalore	23.33	Yes	Direct	
2.	Renovation & Additional class room construction at Karikuppam colony school	Clause (ii) Livelihood and Rural development	Yes	Tamil Nadu	Cuddalore	15.66	Yes	Direct	
3.	Women welfare work & Skill development a) Dress making b) Zari & Embroidery work c) DTP training	Clause (ii) – Livelihood		Tamil Nadu	Cuddalore	8.38	Yes	Direct	
4.	Fishing creek maintenance in Pudhukuppam village (throughout the year)	Clause (ii) – Livelihood and Rural development		Tamil Nadu	Cuddalore	63.83	Yes	Direct	
5.	IT infrastructure for schools and AMC for school computers	Clause (ii) – Education		Tamil Nadu	Cuddalore	11.81	Yes	Direct	
6.	Chinnur North community hall Kitchen shed construction work	Clause (ii) Local Infrastructure		Tamil Nadu	Cuddalore	5.22	Yes	Direct	
7.	C.Pudupettai periya andavar temple dust barrier sheeting work	Clause (ii) Local Infrastructure		Tamil Nadu	Cuddalore	2.7	Yes	Direct	
8.	Construction of Kitchen shed in Pudhukuppam Community Hall	Clause (ii) Local Infrastructure		Tamil Nadu	Cuddalore	5.71	Yes	Direct	
9.	Karikuppam village community hall construction (part work)Community Hall	Clause (ii) Local Infrastructure		Tamil Nadu	Cuddalore	23.19	Yes	Direct	

	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs Lakhs.).	Mode of implement ation Direct (Yes/No).	Mode of implementation – Through implementing agency.	
				State	District			Name.	CSR registration number
10	Construction of Class Room Building in K. Panchankuppam Middle School	Clause (ii) Local Infrastructure		Tamil Nadu	Cuddalore	13.15	Yes	Direct	
11	Construction of Compound wall and repairing of existing building including	Clause (ii) Local Infrastructure		Tamil Nadu	Cuddalore	4.5	Yes	Direct	
12.	Other	Clause (ii) – Others		Tamil Nadu	Cuddalore	10.62	Yes	Direct	
	TOTAL					235.05			

(d) Amount spent in Administrative Overheads NIL

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) 2,35,05,681

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	2,35,05,681
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,35,05,681
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous year	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,35,05,681

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

NIL

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

10	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details).**	**The Company has not created or acquired any Capital Asset during the Financial Year 2020-21**
	a) Date of creation or acquisition of the capital asset(s).	**N.A.**
	b) Amount of CSR spent for creation or acquisition of capital asset.	**N.A.**
	c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc	**N.A.**
	d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	**N.A.**
11	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	**Not Applicable**

By Order of the Board of Directors

Feby Koshy Bin Koshy **Chairperson of the CSR committee**	**Nand Kishore** **Director**	**Kaushik Modak** **Director**
DIN: 08483345	**DIN: 08267502**	**DIN: 01266560**
Date: 31.05.2023 **Place: Mumbai**	**Date: 31.05.2023** **Place: New Delhi**	**Date: 31.05.2023** **Place: Mumbai**

Corporate Social Responsibility Policy

I. Preamble:

The ITPCL CSR policy is derived from IL&FS's policy and being designed with a belief that creating possibilities of economic inclusion powered by skilling and supporting livelihood creations, is the most effective way to manage challenges posed by poverty, inequality and unemployment in India

II. The CSR Vision:

The IL&FS Group strongly believes that the infrastructure we are building and financing today will shape the communities of tomorrow. Accordingly, IL&FS will endeavor to continually strengthen development multipliers of IL&FS Projects through supporting interventions which lead to a sustainable and inclusive growth.

This will primarily entail, undertaking a variety of programs for enhancing economic activity and skilling, which will be supplemented with interventions to improve the quality of life of stakeholders in the project catchment areas. Employment and livelihood creation, Millennium Development Goals (MDG) and global concerns such as climate change will be considered as guides in setting up the CSR Projects. ITPCL, being group Company of IL&FS believes in up liftment of standard of living of public around the project area at a large through improving the facilities like Health, education, infrastructure & employment.

III. The Focus areas of the CSR activities:

ITPCL's CSR activities will, inter-alia:

(1) Support capacity building through skills based training programs with a focus on employment and entrepreneurship, functional literacy, financial literacy and inclusion

(2) Follow a livelihood centred approach to holistic development of the target beneficiaries by undertaking context driven income generation activities.

(3) Support quality education including special education, and strengthening of education infrastructure.

(4) Support interventions in the area of healthcare and nutrition, safe and adequate drinking water, sports, environmental sustainability, ecological balance, natural resource protection and conservation disaster relief, any other form of rural development thereby enabling an improved quality of life and resource security in the

catchment areas of its infrastructure projects

(5) Strengthen linkages of the community with existing government schemes and programs related to social infrastructure and help build and sustain community institutions

(6) Conduct periodic impact assessment of the CSR projects

(7) Undertake any other activity / initiative as directed by the CSR Committee, and within the purview of Schedule VII of the Companies Act, 2013 to the extent applicable

IV. Effective Date:

This CSR policy shall be effective from April 1, 2014

V. Key Rules/ Guidelines for the CSR Expenditure:

(1) The prescribed CSR spend, as indicated in Section 135 of the Companies Act, 2013 is 2% of the Average Profit Before Tax of the Company, duly adjusted for any dividend income received from Companies, and any profits from Overseas Branches. But during construction period, it shall be as per the amount stipulated by Government in clearances

(2) The overall spend will be only on such interventions and programs whose impact are both meaningful and measurable

(3) The selected projects need to adhere to the following guidelines:

(a) The Company will undertake CSR projects/programs that are in conformity with Schedule VII of the Act;

(b) CSR activities shall not include the activities undertaken in pursuance of normal course of business of the Company;

(c) Any surplus arising out of any of the CSR activities / programs shall not form part of the business profits of the Company;

(d) Any activity for the exclusive benefit of the employees of the Company or their family members shall not be considered as a CSR activity;

(e) However, the Company may build CSR capacities of its own personnel as well as those of its Implementing agencies, but such expenditure shall not exceed 5% of the total CSR expenditure of the Company in any one financial year

VI. Disclosure of the Policy:

As per the Act, ITPCL is required to disclose the composition of CSR Committee and its CSR policy in the Company's Annual Report and on the website. Further, the details of the CSR activities and program taken up during the year will also be disclosed.

Annexure -VIII

Statement of particulars of employees pursuant to the provision of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time for the FY March 31, 2023.

Part A - Top ten employees in terms of remuneration drawn:

S. No.	Name of employee	Age	Designation	Remuneration received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Previous employment	The percentage of equity shares held by the employee in the company
1.	Sanjeev Seth	58	Managing Director	1,51,90,188	Permanent	Charted Engineer / BE Electrtical / SMP IIM & 34 years	25-01-2021	India Power Corporation Limited	0.00%
2.	Sushil Kumar Agarwal	55	Chief Financial Officer	35,91,130	Permanent	CA, PGDM & 31Years	07-06-2021	ICAI, DELHI	0.00%
3.	K.R. Murugan	54	AVP - Mechanical	63,65,588	Permanent	BE & 31 Years	04-09-2013	GMR Energy Ltd.	0.00%

4.	C S Bhavani Prasad Rao	50	SVP-Business Head-Commercial	55,27,521	Permanent	ICWA & 27 Years	03-05-2021	India Power Corporation Limited	0.00%
5.	S Gugan	55	AVP-Technical Services	43,39,776	Permanent	BE & 32 Years	12-10-2016	Fitchner Consulting Engineers (I) Pvt.	0.00%
6.	P Lakshmanan	46	AVP- Coal Procurement & Logistics	42,03,780	Permanent	B.Sc, EMBA in SCM & 23 Years	12-08-2021	Ferro Alloys Corporation Limited (Vedanta)	0.00%
7.	B. Parivendhan	58	Senior General Manager - Civil	35,88,726	Permanent	BE & 38 Years	22-07-2013	Sindya Power Generating Company Pvt.	0.00%
8.	K. Balamurugan	48	Senior General Manager - E & I	38,32,244	Permanent	BE & 25 Years	11-09-2013	Udupi Power Corporation Ltd.	0.00%
9.	K Raghuraman	50	General Manager - F&A	37,30,113	Permanent	ICWA & 26 Years	14-09-2015	Coal and Oil Group	0.00%

10.	B. Barathan	42	Deputy General Manager - O & E	37,21,494	Permanent	BE / 17 Years	12-06-2015	Adani Power Limited	0.00%
11.	Shrinivas S Narsingoj	45	Deputy General Manager-Mechanical	34,21,718	Permanent	B.Tech & 22 Years	24-12-2014	Adani Power Limited	0.00%

Notes:

1. Remuneration includes basic salary, allowances, taxable value of perquisites, the Company's contribution to Provident Fund and Superannuation funds etc.
2. No employee mentioned above is related to any Director of the Company

Part B - Employed throughout the Financial year under review and were in receipt of remuneration in aggregate of not less than Rs. 1,02,00,000/- per annum

S. No.	Name of employee	Age	Designation	Remuneration received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Previous employment	The percentage of equity shares held by the employee in the company
1.	Mr. Sanjeev Seth	58	Managing Director	1,51,90,188	Permanent	Charted Engineer / BE Electrtical / SMP IIM & 34 years	25-01-2021	India Power Corporation Limited	0.00%

Notes:

1. **Remuneration includes basic salary, allowances, taxable value of perquisites, the Company's contribution to Provident Fund andSuperannuation funds etc.**
2. **No employee mentioned above is related to any Director of the Company.**

Part C – Employed for the part of the Financial year under review and were in receipt of remuneration in aggregate of not less than Rs. 8,50,000/- per month

S. No.	Name of employee	Age	Designation	Remuneration received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Previous employment	The percentage of equity shares held by the employee in the company
-	-	-	-	-	-	-	-	-	-

By Order of the Board of Directors

Nand Kishore
Director
DIN: 08267502
Date: 31.05.2023
Place: Delhi

Sanjeev Seth
Managing Director
DIN: 07945707
Date: 31.05.2023
Place: Chennai

Feby Koshy Bin Koshy Director
DIN: 08483345
Date: 31.05.2023
Place: Mumbai

Kaushik Modak
Director
DIN: 01266560
Date: 31.05.2023
Place: Mumbai

Annexure IX

Form No. MGT – 9
Extract of Annual Return
as on the Financial Year ended on March 31, 2023

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

1.	CIN	U72200TN2006PLC060330
2.	Registration date	June 26, 2006
3.	Name of the Company	IL&FS TAMIL NADU POWER COMPANY LIMITED
4.	Category / Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & Contact details	4th Floor, Old No. 21, New No. 2, 1st Street, Subba Rao Avenue, College Road, Chennai 600 006 Tel No: 044 - 61725550 Website: http://www.itpclindia.com
6.	Whether listed Company (Yes / No)	No
7.	Name, address & contact details of the Share transfer agent, if any	Link Intime India Private Limited C 101, 247 Park , L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: 022 49186000

II. Principal business activities of the Company:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

S.No	Name and description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Electric Power Generation, transmission and distribution	3510	92.89

III. Particulars of Holding, Subsidiary and Associate Companies:

S.No	Name of the Company	Country	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held as at March 31, 2023	Applicable section
1	IL&FS Energy Development Company Limited	India	U40300DL2007PLC163679	Holding	80.31%	2(46)
2	ILFS Maritime Offshore Pte Ltd	Singapore	Foreign Company (Reg. No. 200715911W)	Subsidiary	100%	2(87)(ii)
3	IL&FS Offshore Natural Resources Pte Ltd	Singapore	Foreign Company (Reg. No. 200818793E)	Step-down Subsidiary	100%	Explanation (a) to Sec. 2(87)
4	PT Bangun Asia Persada	Indonesia	Foreign Company	Step-down Subsidiary	100%	Explanation (a) to Sec. 2(87)
5	PT Mantimin Coal Mining	Indonesia	Foreign Company	Step-down Subsidiary	95%	Explanation (a) to Sec. 2(87)
6	Se7en Factor Corporation	Seychelles	Foreign Company (Reg. No. 022712)	Step-down Subsidiary	100%	Explanation (a) to Sec. 2(87)
7	Cuddalore Solar Power Private Limited	India	U40300MH2012PTC237302	Joint Venture	26%	2(6)

IV. Shareholding Pattern (Equity share capital breakup as percentage of Total equity):

i) Category-wise share holding

Shareholding pattern (Category wise)									
Category of shareholders	No. of shares held at the beginning of the Year				No. of shares held at the end of the Year				% change during the Year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
(a)Individual/ HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp	185035508	-	185035508	92.42	185035508	-	185035508	92.42	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
(2)Foreign	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	**185035508**	**-**	**185035508**	**92.42**	**185035508**	**-**	**185035508**	**92.42**	**-**
B. Public Shareholding									
1.Institutions									
a) Mutual funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture capital funds	-	-	-	-	-	-	-	-	-
f) Insurance companies	-	-	-	-	-	-	-	-	-

g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign venture capital funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Subtotal B(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2. Non Institutions									
a) Bodies Corp									
a) Indian	-	-	-	-	-	-	-	-	-
b) Overseas	15172256	0	15172256	7.58	15172256	0	15172256	7.58	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholding holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others	0	0	0	0	0	0	0	0	-
Sub-total B(2)	**15172256**	**0**	**15172256**	**7.58**	**15172256**	**0**	**15172256**	**7.58**	**-**
Total public shareholding									
(B) = (B)(1) + (B)(2)	**15172256**	**0**	**15172256**	**7.58**	**15172256**	**0**	**15172256**	**7.58**	**-**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A)+(B)+(C)	**200207764**	**0**	**200207764**	**100.00**	**200207764**	**0**	**200207764**	**100.00**	

ii) Shareholding of Promoters:

S.No	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the year			% change in shareholding during the Year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	IL&FS Energy Development Company Ltd	160797509[1]	80.31	0	160797509[1]	80.31	0	0
2	Infrastructure Leasing and Financial Services Limited	24237999	12.11	0	24237999	12.11	0	0
	Total	**185035508**	**92.42**	**0**	**185035508**	**92.42**	**0**	**0**

[1]Includes 6 equity shares held jointly with Mr. Feby Koshy Bin Koshy, Mr. Ritendra Bhattacharjee, Mr. Dinesh Suryakant Ladwa, Mr. Ajay Jindal, Mr. Mohammad Zaheen Khan and Mr. Kailash Shrinarayan Vyas.

iii) Change in Promoters' shareholding:

Name of the Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the Year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
IL&FS Energy Development Company Limited (IEDCL)				
At the beginning of the year	160797509	80.31		
Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	160797509	80.32
At the end of the year			**160797509**	**80.32**
Infrastructure Leasing & Financial Services Limited (IL&FS)				
At the beginning of the year	24237999	12.11		
Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	24237999	12.11
At the end of the year			**24237999**	**12.11**

iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S.No	**Name of the Shareholder**	**Shareholding at the beginning of the year**		**Cumulative shareholding during the Year**	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**A S Coal Resources Pte Ltd**				
	At the beginning of the year	15172256	7.58		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	15172256	7.58

	At the end of the year (or on the date of separation, if separated during the year)			15172256	7.58

v) Shareholding of Directors and Key Managerial Personnel

S.No	Name of the Director/KMP	Shareholding at the beginning of the year		Cumulative shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Neerav Yashwant Kapasi (ceased to be w.e.f. May 25, 2022)				
	At the beginning of the year	-	-		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year			-	-
2	Dr. Malini Vijay Shankar (ceased to be a Director w.e.f. July 18, 2022)				
	At the beginning of the year	-	-		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year			-	-
3	Mr. Feby Koshy Bin Koshy (appointed w.e.f. December 2, 2020)				
	At the beginning of the year	1	0.00%	1	0.00%
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year	1	0.00%	1	0.00%

4	Mr. Sanjeev Seth (appointed w.e.f. January 25, 2021)				
	At the beginning of the year	-	-		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year			-	-
5	Mr. Kaushik Modak (appointed w.e.f May 13,2022)				
	At the beginning of the year	-	-		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year			-	-
6	Mr. Nand Kishore (appointed w.e.f. August 18, 2022)				
	At the beginning of the year	-	-		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year			-	-
7	Mr. Sushil Kumar Agarwal (ceased to be w.e.f August 30, 2022)				
	At the beginning of the year	-	-		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year			-	-

8	Ms. Harshlatha J Lalwani (appointed as CSw.e.f. December 3, 2021)				
	At the beginning of the year	-	-		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year			-	-
9	Mr. Saravanan Ranganathan (appointed as CFO w.e.f November 30, 2022)				
	At the beginning of the year	-	-		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year			-	-

V. Indebtedness:

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs. million)

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the Financial Year				
a) Principal Amount	64,046.12	6,326.36	-	70,372.48
b) Interest due but not paid	-	-	-	-
c) Interest accrued but not due	87.31	1,353.32	-	1,440.63
Total (a)+(b)+(c)	64,128.34	7,679.68	-	71,808.02
Change in indebtedness during the Financial Year				
Principal Amount:				
- Addition	5.09	-	-	5.09
- Reduction	-	-	-	-
Net change	-	-	-	-
Indebtedness at the end of the Financial Year	5.09	-	-	5.09
a) Principal Amount	64,051.20	6,326.36	-	70,377.56
b) Interest due but not paid	-	-	-	-
c) Interest accrued but not due	87.33	1,353.32	-	1,440.65
Total (a)+(b)+(c)	64,138.53	7,679.68	-	71,818.21

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

			(Rs.)
Sl. No	**Particulars of Remuneration**	**Name of MD (Mr. Sanjeev Seth) (April 2021 – Mar 2022)**	**Total Amount**
1	Gross salary		
	(a) Salary as per provisions in Section 17(1) of the Income Tax Act, 1961	1,51,90,188	1,51,90,188
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary u/s 17(3) of Income Tax Act,1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- As % of profit	-	-
	- Others	-	-
5	Others (sitting fees)	-	-
	Total (A)	**1,51,90,188**	**1,51,90,188**

B. Remuneration to Other Directors

Rs

S.No	Particulars of remuneration						Total amount
1	Independent Directors	-	-	-			
	- Fee for attending Board, Committee Meetings	-	-	-			
	- Commission	-	-	-			
	- Others	-	-	-			
		-	-	-			
	Total (1)	-	-	-			
2	Other non- executive Directors	Malini V Shankar	Neerav Yashwant Kapasi	Feby Koshy Bin Koshy	Nand Kishore	Kaushik Modak	
	- Fee for attending board meetings	35,000	-	1,60,000	1,05,000	1,35000	4,35,000
	- Commission	-	-	-	-		
	- Others	-	-	-	-		

	Total (2)						4,35,000
	Total (B) = (1)+(2)	35,000	-	1,60,000	1,05,000	1,35000	4,35,000
	Total managerial remuneration						
	Overall ceiling as per the Act						

Note: Mr. Neerav Yashwant Kapasi have waived their right to receive sitting fees for the meetings attended by them. Hence, no sitting fees was paid to Mr. Neerav Yashwant Kapasi for the Board & Committee meetings attended by him.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Rs.)

S.No	Particulars of remuneration	Mr. Sushil Kumar Agarwal CFO	Ms. Harshlatha J Lalwani Company Secretary	Mr. Saravanan Ranganathan CFO	Total amount
1	Gross salary				
	(a) Salary as per provisions in Section 17(1) of the Income Tax Act,1961	35,91,130	4,16,850	15,05,423	55,13,403
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
	Commission	-	-	-	
	- As % of profit	-	-	-	-
	- Others	-	-	-	-
5	Others	-	-	-	-
	Total	35,91,130	4,16,850	15,05,423	55,13,403

VII. Penalties / Punishment / Compounding of Offences:

There were no penalties / punishment / compounding of offences for the year ending March 31, 2023.

By Order of the Board of Directors

Nand Kishore Director	**Sanjeev Seth Managing Director**	**Feby Koshy Bin Koshy Director**	**Kaushik Modak Director**
DIN: 08267502	**DIN: 07945707**	**DIN: 08483345**	**DIN: 01266560**
Date: 31.05.2023	**Date: 31.05.2023**	**Date: 31.05.2023**	**Date: 31.05.2023**
Place: Delhi	**Place: Chennai**	**Place: Mumbai**	**Place: Mumbai**

Annexure - X

Report on Corporate Governance

Company's Philosophy on Corporate Governance

The Company believes in adhering to good Corporate Governance practices in letter and spirit for achieving the highest level of transparency and accountability towards the stakeholders of the Company.

Composition of the Board:

As of March 31, 2023, the Board consisted of 4 (four) Directors comprising one Executive and three Non-Executive Directors as under:

SN	Name of the Director	Designation
1	Mr. Sanjeev Seth	Managing Director
2	Mr. Nand Kishore	Nominee Director
3	Mr. Kaushik Modak	Nominee Director
4	Mr. Feby Koshy Bin Koshy	Nominee Director

The Hon'ble National Company Law Tribunal by Order dated April 26, 2019, has granted dispensation with respect to mandatory appointment of Independent Directors and woman director in IL&FS and its Group Companies.

During the year, the following changes took place in the Board of Directors of the Company.

SN	Name	Designation	Appointment/Resignation/ Change in designation
1	Mr. Neerav Yashwant Kapasi	Director	Resignation
2	Mr. Kaushik Modak	Nominee Director	Appointment & Change in Designation to Nominee Director
3	Dr. Malini Vijay Shankar	Nominee Director	Resignation
4	Mr. Nand Kishore	Nominee Director	Appointment
5	Mr. Feby Koshy Bin Koshy	Nominee Director	Change in Designation to Nominee Director

Meetings of the Board:

During the Financial Year 2022-23, the Board of Directors met 6 times on the following dates viz., April 29, 2022, July 8, 2022, August 30, 2022, October 11, 2022, November 30, 2022 and March 27, 2023.

The maximum interval between any two meetings did not exceed 120days.

The names and categories of the Directors on the Board, their attendance at the Board Meeting held during FY 2022-23 along with number of Directorships held by them in other Companies as on March 31, 2023 are givenbelow:

S N	Name of the Director	Category	Number of Board Meetings		Whether present at the previous AGM	Number of Directorships in other Companies #
			entitled to attend	attended		
1	Mr. Kaushik Modak[1]	Nominee Director	5	5	YES	6
2	Mr. Sanjeev Seth	Managing Director	6	6	YES	NIL
3	Mr. Neerav Yashwant Kapasi[2]	Director	1	1	NO	20
4	Mr. Feby Koshy Bin Koshy	Nominee Director	6	6	YES	7
5	Dr. Malini Vijay Shankar[3]	Nominee Director	2	2	YES	4
6	Mr. Nand Kishore[4]	Nominee Director	4	4	YES	9

1. Appointed w.e.f May 13, 2022
2. Resigned w.e.f May 25, 2022
3. Resigned w.e.f July 18, 2022
4. Appointed w.e.f August 18,2022

Excludes Directorship in Foreign Companies

Separate Meeting of Independent Directors:

The Hon'ble National Company Law Tribunal by Order dated April 26, 2019 has granted dispensation with respect to mandatory appointment of Independent Directors in IL&FS and its Group Companies.

Hence, convening of a separate meeting of Independent Directors was not applicable.

Committees of the Board:

The Company's Board had formed the following Committees:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Corporate Social Responsibility Committee

The Board at the time of constitution of each committee fixes the terms of reference for the Committee and delegates powers from time to time. Various recommendations of the Committees are submitted to the Board for approval. The minutes of the meetings of all the Committees are circulated to the Board for its information.

The Quorum for meetings of all the above referred Committees is two members.

A. Audit Committee Composition:

The Audit Committee comprised the following 4 (Four) Directors as on March 31, 2023:

- Mr. Nand Kishore (Chairman)
- Mr. Feby Koshy Bin Koshy
- Mr. Sanjeev Seth
- Mr. Kaushik Modak

Terms of Reference:

The terms of reference of the Audit Committee include:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related
- parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.

Meetings:

Six Audit Committee meetings were held during the year on the following dates viz., 28.04.2022, 07.07.2022, 30.08.2022,11.10.2022,30.11.2022 and 27.3.2023.

The details of the meetings attended by the members of the Committee during Financial Year 2022-23 was as under:

S No	Name of the Member	No of meetings	
		Entitled to attend	Attended
1	Mr. Nand Kishore	4	4
2	Mr. Sanjeev Seth	6	6
3	Mr. Feby Koshy Bin Koshy	6	6
4	Mr. Kaushik Modak	5	5
5	Mr. Neerav Yashwant Kapasi	1	1

The necessary quorum was present for all the meetings.

The Company Secretary acts as Secretary to the Audit Committee.

The Statutory Auditors have attended the Audit Committee Meeting where the financials results/audit reports were discussed.

B. Nomination and Remuneration Committee:

Composition:

The Nomination & Remuneration Committee comprised the following 3 (three) Directors as on March 31, 2023:

Mr. Kaushik Modak (Chairperson)
Mr. Nand Kishore
Mr. Feby Koshy Bin Koshy

Terms of Reference:

- The terms of reference of the Nomination & Remuneration Committee include:
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management and recommending to the Board their appointment and removal.
- Carrying out evaluation of every Director's performance.
- To determine and recommend to the Board the remuneration payable to the Directors.
- To review and approve the Human Resources Policies of the Company and to oversee the Human resources strategy.

The Company has adopted a policy on remuneration of Directors. This policy was approved by the Nomination & Remuneration Committee and the Board.

Meetings:

The Committee met five times during the year on the following dates viz. 08.07.2022, 30.08.2022,11.10.2022 and 30.11.2022 and 27.03.2023.

The details of the meetings attended by the members of the Committee during Financial Year 2022-23 was as under:

SNo	Name of the Member	No of meetings	
		Entitled to attend	Attended
1	Mr. Kaushik Modak	5	5
2	Mr. Nand Kishore	4	4
3	Mr. Feby Koshy Bin Koshy	5	5
4	Dr. Malini Vijay Shankar	1	1

The Company Secretary is the Secretary to the Nomination and Remuneration Committee.

B. Corporate Social Responsibility (CSR) Committee

The Board of Directors has constituted a Corporate Social Responsibility Committee pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules,2014.

The Corporate Social Responsibility Committee comprised the following 3 (three) Directors as on March 31, 2023:

- Mr. Feby Koshy Bin Koshy (Chairperson)
- Mr. Nand Kishore
- Mr. Kaushik Modak

The terms of reference of the Corporate Social Responsibility Committee include:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy, framework, which shall indicate the activities to be undertaken by the company as specified in Schedule VII;

- To recommend the amount of expenditure to be incurred on the activities referred to above;

- To monitor the Corporate Social Responsibility Policy of the company from time to time.

The Committee met once during the year.

The attendance of the Directors at the meeting was as under:

S No	Name of the Member	No of meetings	
		Entitled to attend	Attended
1	Mr. Feby Koshy Bin Koshy	1	1
2	Mr. Nand Kishore	1	1
3	Mr. Kaushik Modak	1	1

The CSR Report as required under the Companies Act 2013 for the year ended March 31, 2023 is attached as Annexure VII to the Board's Report.

Other Committees:

C. Internal Complaints Committee

In accordance with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has adopted the Internal Complaints Committee constituted by IL&FS, since the Company does not have sufficient women employees at the senior level who could be nominated as the Presiding Officer and / or members of the Internal Complaints Committee (ICC). The Company is bound by the policy formulated by the aforementioned Committee and employees shall refer any complaint that may arise in the workplace to the abovementioned Committee. There was no complaint received during the year. The Company has created awareness among the employees about the provisions of the said Act and conducted gender sensitization workshops for all employees.

D. Hedging Monitoring Committee

The Company has constituted a Hedging Monitoring Committee comprising of Senior Executives to decide, negotiate and finalize the hedging strategies for managing the Coal Price risk faced by the Company.

E. Management Committee for O&M contracts

The Company has constituted Management Committee consisting of Senior Executives of the Company to oversee the renewal of existing contract related to Operation and Maintenance of the Power Plant or award of fresh O&M contracts as and when the O&M contracts are about to expire.

F. Management Risk Committee

The Company has constituted a Risk Committee to constantly assess the risk associated with the business and operations of the Company including but not limited to changes in policy, rules and regulations, etc., and take remedial measures to mitigate the same.

Details of Remuneration paid to Executive & Non-Executive Directors during 2022- 23

These details are provided in **Annexure IX**, the extract of the Annual Return, annexed to the Board's Report in Form MGT – 9.

Stock Options to Executive Directors

No Stock options have been granted to any of the Executive Directors during the Financial Year 2022-23.

Subsidiaries

The Company has five subsidiaries as at the financial year ended 31st March 2023 namely ILFS Maritime Offshore Pte Ltd (IMOL), IL&FS Offshore Natural Resources Pte Ltd., (IONRPL), PT Bangun Asia Persada (PT BAP), PT Mantimin Coal Mining (PT MCM) and Se7en Factor Corporation (SFC).

The Consolidated financial statement prepared in accordance with "Ind AS" is made part of the Annual Report. A statement containing brief financial details of the Company's subsidiaries for the financial year ended March 31, 2023 is included in the annual report. The audited annual accounts and related information of the subsidiaries, where applicable, will be made available upon request. These documents will also be made available for inspection during business hours at the registered office of the Company.

By Order of the Board of Directors

Nand Kishore **Director**	**Sanjeev Seth** **Managing Director**	**Feby Koshy Bin Koshy** **Director**	**Kaushik Modak** **Director**
DIN: 08267502	**DIN: 07945707**	**DIN: 08483345**	**DIN: 01266560**
Date: 31.05.2023 **Place: Delhi**	**Date: 31.05.2023** **Place: Chennai**	**Date: 31.05.2023** **Place: Mumbai**	**Date: 31.05.2023** **Place: Mumbai**

Management Discussion and Analysis Report

Industry Developments

A. Global Power Sector

The global power sector is changing rapidly with the influx of renewable energy in the power portfolio mix as all nations rise to the challenge of climate change. Additionally newer technology, Electric vehicles, Digitalization, Grid scale energy storage, Cyber Security, Big Data Analytics, smart metering, Energy Access to all and Demand Side Management are creating long lasting impact on the sector and the way it operates in the coming years. With energy sources moving to the edge of the grid, the role of players in the sector is also undergoing a change, necessitating a move from conventional methods to service delivery to becoming energy solution providers for the end consumers.

Global power utilities are capitalizing on the changing power landscape by adopting cleaner and greener technologies. Power market developments are likely to undergo further transformation with changes in policy actions and technological advancements. Focus on environmental sustainability on the back of climate change, customer demand for clean energy sources and commitment to help customers optimize energy consumption and enable savings, are driving power utility companies in the U.S. and Europe to increasingly adopt green energy solutions and raise the bar on climate change. A U.S. utility was the first to commit to a '100% carbon free' initiative by 2050, and 80% by 2030.

As per the International Energy Agency (IEA), the share of renewables is expected to be 44% by 2040, from the current level of 26%. The resulting impact of this would be the decline in coal-based power generation from 38% to 25% during the same period. Natural gas enabled generation is set to increase by 50% by 2040, driven by low-cost availability of shale gas. However, as rural and semi-urban electrification continues in most developing economies, affordability and ease-of-access are at the core of consumer demand, and these continue to be met by coal-based generation, especially in the developing markets of Africa and Asia. Global coal prices are stabilizing as a result of increasing demand of certain developing economies, off-set by declining requirements of advanced economies.

India Power Outlook 2023

As per S&P Global Commodity insights, as 2023 kicks off, India showed resilience to handle price shocks. Electricity demand in 2022 grew by 8.7% after continued recovery from COVID-19-related disruptions and intense heat waves that swept the country during a prolonged summer. On the supply side, coal generation increased by 8.7%, resulting in higher emissions. Energy security and affordability remained top priority in 2022 to navigate the energy crisis. Hence, efforts to improve domestic coal production, mandates for coal imports, and an emphasis on expanding local manufacturing remained interesting developments in 2022.

In 2023, India will gear up to implement energy transition strategies by addressing issues related to energy security. These include building local supply chains, securing domestic fuel resources, deepening power sector reforms to address structural issues, and continuing to adopt new and clean technologies by creating demand and infrastructure. The following are the key trends for the India power and renewables market:

Energy Security and transition linkages

- India's clean energy transition is advancing; however, ***coal will stay to boost energy security***. Announcements for coal sector for some brownfield expansion projects, delays in retirements or even lifetime extension plans for old thermal plants, and liquidation or revival of part of stalled private sector projects is on the cards. ***India is targeting to increase the capacity of Coal Based Thermal Plants by 14700 MW in FY 23-24. Of this Center plans to add 6880 MW and States have a plan to add 7820 MW, thus Coal is here to stay.***

- ***Securing fuel is top priority to respond to short-term challenges***, while implementing reforms is on the long-term transition agenda. India's coal production to increase, however, import dependence may also continue in the power sector to fulfil the rising demand in 2023. Meanwhile, to boost gas demand the government will adopt strategies to shield against the rising price volatility.

Renewable additions grow

- The total installed capacity reached 410 GW, of which renewable capacity is 121 GW at the end of 2022. Although missing the 175 GW target for 2022 by about 30%, ***India's renewable sector continues to grow driven by policy focus on clean energy resources with about 90% of capacity additions in 2022 coming from renewables***. There are more than 70 GW in the renewables pipeline in different stages of development as of the end of 2022. However, about 40% of this pipeline is delayed beyond its schedule and may be marred with high risk of further delays or even cancellations in the current high-cost environment.

Reform agenda for markets

- ***Power market sentiments will remain fragile with elevated power prices in the short-term market***. While the pace of reforms remained encouraging in 2022, with implementation of general network access (GNA), the ancillary services market (ASM) for tertiary reserves, and new deviation settlement mechanism (DSM) structure. However, hiccups in the DSM with unrealistic high prices, and grid instability would require the regulator to focus on stabilizing the market.

- ***The Renewable Energy Certificate (REC) market is going through an overhaul, but regulatory uncertainty around implementation of new rules with no floor pricing remains.*** The suspension of the floor price may affect small-scale renewable developers with higher costs and economic models based on REC revenues, but at the same time, removing the floor may help drive the demand for RECs for obligated consumers.

- ***Ongoing reforms may improve the short-term financial discipline of DISCOMs; however, the structural issues will linger***. Proposed amendments through the Electricity (Amendment) Bill, 2022, aim to address the chronic issue of non-cost-reflective tariffs, a mandate for progressively cost-reflective retail tariffs, and rationalization of tariffs and cross-subsidies. However, this issue may not see any near term change due to political factors.

Big plans on climate

- ***Climate action strategies are under way but need technological and financial support.*** Implementation of low-emission strategies will be the priority for 2023, including the carbon market framework. Access to low-cost, long-term financing remains a key challenge for the required leapfrogging of renewable additions.

- ***India is betting big on green hydrogen across sectors; however, it's a long road for its adoption.*** In January 2023, the government approved the National Hydrogen Mission, with financial support of $2.4 billion and target of minimum 5 MMt green hydrogen production per year. Currently, majority of the players are looking for hydrogen electrolysis technology partners and awaiting policy directions for demand creation in the domestic market as green hydrogen is uncompetitive compared with alternate fuels.

Power Outlook- Till H1 of FY 23-24

- The spot market is one of the key indicators of the state of India's power sector***. During the months of January and February 2023, the prices of electricity in the spot market remained high*** with an average price of 6.18 rupees per kilowatt-hour. This ***marks a 58% increase*** compared to the same period last year.

- This rise in prices is attributed to the tightening of demand-supply in the country, ***along with high prices of coal in the international market. The historical trend indicates that there is a strong correlation between price spikes and the difference between buy and sell volumes on the power exchange***. Whenever there is a supply constraint in the spot market, the power prices are pushed up as marginal fuel changes from domestic coal to imported coal (or LNG).

- IEX prices in February 2023 were higher as imported coal and LNG were on the margin about 40% of the time. Compared with February 2022, these fuels were on margin for only 15% of the time.

High demand growth expected for the March to June period.

- In January and February 2023, increased commercial and industrial activity in northern and western regions led to high growth in electricity demand. Against an all-India average of 10% growth in demand, the northern region grew by 12.5% and western region grew by about 15%.

- An unusual rise in temperature in the month of February 2023 is raising the alarm for an upcoming heat wave. Based on projections from the World Meteorological Organization (WMO), 2023 will be a "triple-dip La Niña" year, with the potential for widespread warmer-than-average sea surface temperatures during spring and summer. For March to June period, all-India electricity demand is expected to grow between 8.5-11.5% driven by signs of improved economic activity and unusual rise in temperature.

- Peak demand is also expected to grow at 9-12% during the first half of 2023, reaching 235-240 GW and surpass the coincidental peak demand of 216 GW in April 2022 (registering a year-on-year growth of 6.3%).

Expecting high demand in the upcoming months of March to May, the government has initiated various steps.

- Introduction of a new market segment HP-DAM
- Coal stocks under close watch
- Invoking Section 11 of Electricity Act forcing imported coal plants to run at full capacity.
- Blending of imported coal by plants running on domestic coal
- Deferring scheduled maintenance
- No coal retirements
- Boost domestic coal supply by providing priority clearance for evacuation of coal from domestic mines.
- During H1 2023, power prices are expected to remain high, and consumption of imported coal expected to increase.

Imported Coal Market Outlook

- Indonesia's energy ministry (ESDM) has set the country's coal production target at 694mn t for 2023, around 5pc higher than the 2022 target of 663mn t, which has been exceeded.

- Indonesian GAR 4,200 kcal/kg prices hit a historical high of $154.21/t in October 2021, having reached a historical low of $22.40/t in September 2020 when global Covid-19 lockdowns curbed demand. Prices have corrected from the intra-year highs of 2021, but the GAR 4,200 kcal/kg price averaged $85.27/t in 2022 up to 27 December, compared with around $66/t in the year-earlier period.

- The higher output target is also expected to address an increase in domestic coal demand. Jakarta has set the 2023 domestic market obligation (DMO) quota at 25pc of coal producers' output and the national DMO target at 173.5mn t.

- The economy in China, the world's largest coal importer, will grow by 5.1pc in 2023, the Chinese Academy of Social Sciences, a public institution led by the Chinese Communist Party's central committee, forecast on 13 December.

- India's thermal coal imports rose by 2.12mn t on the year to 12.88mn t, higher on the year for the sixth consecutive month, according to data from ship broker GAC. India is the world's second-largest coal importer.

- Challenges, - High Rainfall, shortage of heavy machinery are bound to affect the supply of coal in the short run therefore prices are not expected to fall to previous low levels but would stabilize in the current higher levels only.

A. Company Overview and Performance

B. Overview

Your Company is a Special Purpose Vehicle incorporated by IL&FS Group under the energy platform (viz., IEDCL) for implementation of the Thermal Power Project ("Project") at Cuddalore in Tamil Nadu.

Phase I of the project for 1200 MW comprising 2 units of 600 MW each is operational since September 2015. The Company has a long-term Power Purchase Agreement with TANGEDCO for 540 MW. Currently the Second Unit is dedicated to Short Term Power Sales based on the market requirements. The power plant has flue gas desulphurization system for washing the Sulphur from the flue gas.

Initially the Company had planned to set up 3180 MW thermal power capacity and had all the requisite approvals and land, the expansion plans have been shelved for the time being given the uncertainties.

Phase I of the project has been funded by a combination of Debt and Equity. The Debt has been funded by a consortium of banks and financial institutions led by Punjab National Bank. The Consent to Operate for Phase I of 1200 MW is valid up to March 31, 2023, and would be renewed thereafter.

The Board of Directors of your Company's parent company (i.e., IL&FS) has been superseded by a new set of Directors appointed by the Government of India. Given that most of the companies in the IL&FS group are unable to meet their liabilities, the Board of IL&FS under the guidance of the Ministry of Corporate Affairs has put up a resolution plan for all the companies which are part of the IL&FS group, and the matter is currently pending before the Hon'ble National Company Law Appellate Tribunal ("NCLAT"). In this regard, the NCLAT has ordered a moratorium in respect of all the companies in the IL&FS group vide its order dated 15th October 2018. Further, the Hon'ble NCLAT has by its order dated October 15, 2018, inter alia restrained any party from instituting and/or continuing suits and/or other legal proceedings against all companies in the IL&FS group.

As part of this process, the various companies in the IL&FS Group have been classified according to their ability to meet payment obligations. Companies that could meet all payment obligations have been categorized as "Green", while those that could only meet operational payments and senior secured debt obligations are in the "Amber" category. Companies that are unable to fully meet operational payments and senior secured debt obligations are categorized as "Red".

Your Company has been categorized as Amber and has not been servicing interest and principal on Term Loan to the senior secured lenders and other debt obligations since November 01, 2018.

Given the above situation, the banks have frozen the usage of the working capital limits including the limits of Letters of Credit which were used for procurement of coal. As a result, your Company is reliant only on collections from sale of power for its operations including procurement of coal.

Further as part of the Resolution Plan for the IL&FS group, your Company along with the lenders has formulated a debt restructuring plan which has been approved by all senior secured lenders of the Company. IL&FS has filed an application before the Hon'ble National Company Law Appellate Tribunal seeking its approval for the debt restructuring plan of the Company. NCLAT has granted the approval for implementation of debt restructuring plan for the financial lenders as all the financial lenders had agreed to the plan at the NCLAT. However, for the Operational creditors and Capex Creditors the company has negotiated an alternative proposal which is still to be accepted by NCLAT. The Company expects to implement the debt restructuring during FY'23-24.

Your Company has put in place robust systems, processes and standards and has implemented Integrated Management System (ISO 9001:2015 - Quality Management System Standard, ISO 14001:2015 - Environmental Management System Standard and ISO 45001:2018 - Occupational Health and Safety Management System Standard). Your Company recently got itself re-certified under the above standards and the certification is valid till May 2024.

B.1 Sustainability

Your Company's power project is based on environmentally sustainable technology and Phase I is based on imported coal that has lesser ash and Sulphur content. The Company's power plant has its own captive desalination plant and uses sea water to meet its water requirements and does not add pressure on the inland freshwater resources of the State. The power plant has incorporated many features supporting the Green Initiatives including Energy Efficiency and Pollution Prevention & Control measures.

The Boilers are designed with Low NOx burners to control the NOx emissions. Each unit is provided with efficient Electrostatic Precipitators (ESP) to control the Particulate Matter. Phase I (2 x 600 MW) has been provided with Flue Gas De-sulphurisation (FGD) system to capture more than 95% of the sulphur from the flue gas so as to reduce the Sulphur Emission. The flue gas is let out from a Chimney of 275 meters height.

The entire coal yard is protected by Wind Barrier for a height of 15 meters on all four sides to ensure that dust does not get carried to the surrounding areas. Further, the coal yard has been provided with water sprinklers to control the fugitive dust emissions and all the transfer towers in the coal conveying system are provided with both Dust Suppression and Dust Extraction systems.

Your Company has installed Roof top solar plant of 151 KW in the parking shed which is meeting the power requirement of Service building and Stores building. Roof Top Solar Power generated in FY'2020–21 was 213190 KWh.

Your Company has tied up with the various cement plants nearby for the disposal of the entire Fly Ash and Gypsum generated by the power plant and 100% disposal is ensured.

Your Company has also developed green belt in about 251 acres and planted about 280,313 saplings. Over the years, the Company has been able to achieve a survival rate of 91% which is quite high for this region.

B.2 CSR/ Community Development activities for Business Purposes

The Company has been undertaking a range of Community Development and services for the benefit of local community by maintaining fishing creeks, building of School Classrooms, building community halls for common good for the community located near to the ITPCL Plant Area. the Company has spent about Rs. 2.43 crores towards these activities. As your company is under moratorium, the profits do not account for payment due to financial creditors therefore profit is overstated thus your company has applied for exemption under CSR till the moratorium is not lifted. The detailed annual report on Community Development activities for business purposes for FY2022-23 is attached as an Annexure to the Directors Report.

B.3 Awards and Recognitions

Your Company has been awarded.

- Best water efficient TPP & Best zero liquid discharge TPP award -2022
- the Indian Achievers' Award for Promising Company, 2021-22 by Indian Achievers' Forum & Achievers' World for the Company Achievement and Contribution in Nation Building.
- Karaikal port - Top Importer – 2021
- National Energy Conservation Award 2020
- Tamil Nadu State Award for Excellence in Plant Safety Performance during 2016 from Directorate of Industrial Safety & health (DISH) @ CHENNAI 0n 20.09.2019
- And many more....

B.4 Plant Operations

The entire Control Room of the power plant is operated and managed directly by the Company. The operation of the plant is continuously being improved with improvement in plant efficiency (Heat Rate), reduction in tripping, increase in availability of the plant, etc. Your Company has also been adopting best practices in the industry in predictive and preventive maintenance and as a result, the technical plant availability is about 90%. Efforts are constantly being made to further improve the efficiency of the plant particularly during operation at part load.

A separate department named Operational Efficiency dedicatedly monitors and suggests changes in the operation and maintenance practices for improving operational efficiency of the Power Plant. Also, only coal which meets the technical requirements of the plant is procured to ensure optimum performance of the plant. All these efforts have resulted in an improvement in the average heat rate of the station.

Your Company has completed the Capital Overhaul for the first time and there have not been any unfavorable challenges in the unit, this provides a evidence of the Operation and Maintenance protocol of the unit till date.

Your Company has also adopted various energy conservation measures and as a result, the auxiliary power consumption is well below design.

Your Company has been constantly making efforts to develop the spares indigenously to reduce the reliance on imports.

The O&M contracts are based on functional guarantees with appropriate liquidated damages. The performance of the O&M contractors is reviewed periodically.

B.5 Operational and Financial Performance

The total units generated during FY'22-23 was 2303 million units compared to 3094 million units during FY'21-22. The Plant Load Factor (PLF) was about 21.90% during FY'22-23 compared to about 29.43% during FY'21-122. The technical plant availability during FY'22-23 was about 82.76%.

Total revenue on a standalone basis during FY`22-23 was Rs. 2457 crores compared to Rs. 2703 crores during FY `21-22. Other income included in the above on a standalone basis for the year FY`22-23 was Rs. 114 crores.

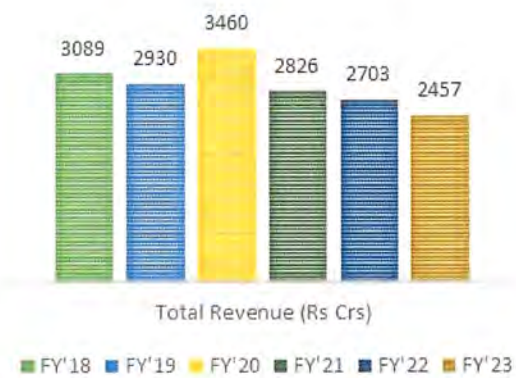
The Earnings Before Interest, Depreciation and Tax (before impairment loss & onetime expenses) was Rs 632 crores during FY'22-23 compared to Rs.1246 crores during FY'21-22.

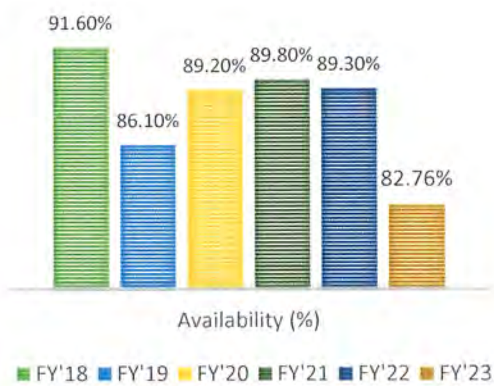
During FY'22-23, the Company earned profit before tax of Rs 420 crores compared to Rs. 1073 crores during FY'21-22.

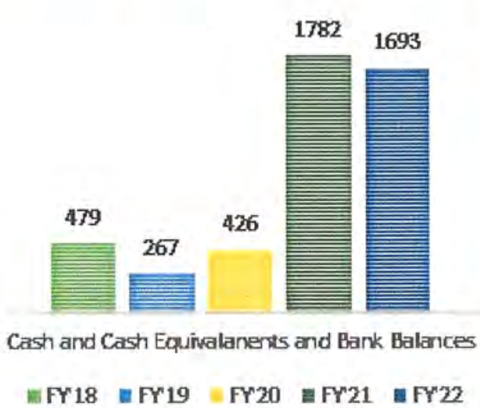
As per the NCLAT Order, the Company has not accrued any interest on debt.

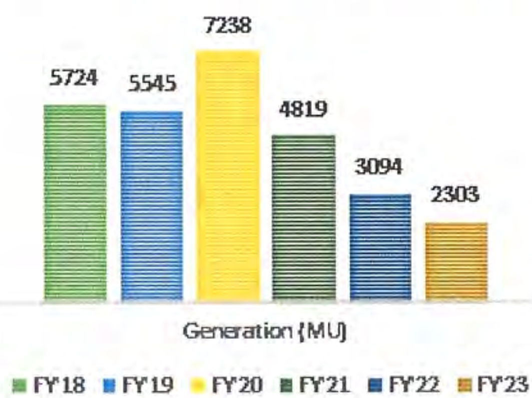
The Company cash and cash equivalents and a Bank Balance of Rs. 2676 crores during FY'22-23.

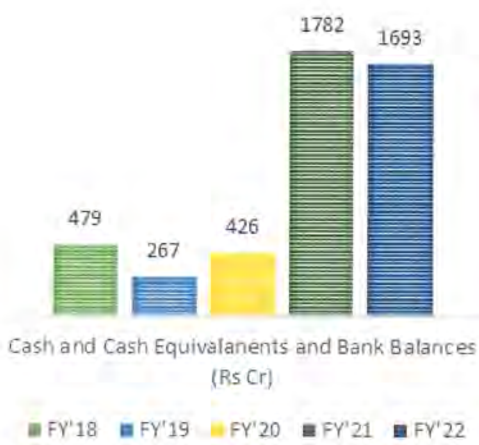
B.6 Financial and Operational Performance

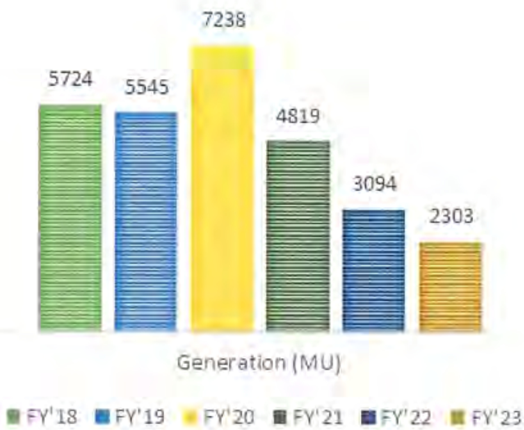












B.7 Human Resource Strategy

Your Company views its employees as its major asset and believes that Key Performers drive growth. During the last couple of years, your Company has been facing higher attrition of high potential employees. Although your Company has been recruiting replacements, some of the vacancies have been managed by giving additional responsibilities to existing employees. Also, your Company would focus on reduction of the attrition of employees and retention of critical talent so as to ensure that the operations of your Company are not affected due to HR related issues.

B.8 Risks and concerns

The Company views risk management as a continuous process which is the principal driver for effective Corporate Governance and for enhancement of value to the shareholders. In line therewith, the management of the Company constantly assesses the various risks faced / likely to be faced by the Company and develops strategies for mitigating / managing the risks.

A brief on the major Risks faced by the Company and the mitigating strategies are given below:

i. Liquidity and Credit Risk

Weak credit histories of state utilities may result in delays / default in payment by the power procurers (DISCOMs). This in turn may result in failure to generate enough cash flow to finance working capital Requirements and may also impair the ability of the Company to meet debt service obligations.

Further to the order of the NCLAT dated 15 October 2018, the Company has not been servicing the debts since November 2018. In relation thereto, the Company is in the process of restructuring the debt based on the estimated future cash flow. The restructuring of the debts to a sustainable level combined with the reduction in the interest rate should ease the cash flow requirement of the Company. However, the Company still faces the risk of delay in settlement of the receivables by the procurers which in turn is likely to result in a cash crunch for the Company.

To revive the economy, the Government of India has provided stimulus packages for boosting the industrial activity in the country which includes infusion of liquidity into the system. As part of this, the DISCOMs have been provided with soft loan from PFC / REC to settle the outstanding dues of the IPPs and to overcome the liquidity issues. Further to this, the Company has collected about Rs. 847 crores in Tranche II of the scheme in the FY 21-22 and balance amount of Rs 369 Crores was collected in 22-23.

As discussed earlier, Ministry of Power has introduced the Electricity (Late Payment Surcharge and related matters) Rules, 2022 wherein all outstanding arrears up to 3rd June 2022 are to be paid to the GENCOs, TRANSCos and Trading Companies in 2022 through a specified Equated Monthly installment over a specified period of months based on the quantum of outstanding arrears. In case of TANGEDCO the arrears need to be cleared in 48 installments and arrears includes all undisputed Energy Charges, Capacity Charges, other Charges, change in law claims, late payment surcharge up to 3rd June 2022. As per this scheme under the long-term PPA the company has started getting EMI of around Rs 43 Crore per month for outstanding of Rs 2070 Crore.

ii. Fuel Availability and Price

Limited or delayed supply of fuel (coal) and increased costs jeopardize the Company's ability to generate power (as per PPA). Further, fuel price and forex volatility may also impact project sustainability in the longer term.

There is no availability constraint as abundant Indonesian coal is available in the market. The Company also has a registered panel of credible vendors who have been registered through an open tender Expression of Interest. Further, the Company also has direct contact with various coal mines in Indonesia.

The Company has terminated the long-term coal supply and shipping contracts and has been procuring coal on a spot basis. The Company follows a competitive bid process for procurement of coal. Only coal which meet the technical requirements of the plant is procured to ensure optimum performance of the plant. The Company was able to take advantage of the softer coal prices through Just-in-Time procurement to the extent possible during FY'2021-22. However, global coal prices were increasing in the first half of FY 22-23 and thereafter it has stabilized. To optimize the coal cost, the Company also intends to explore blending of Indonesian coal with coal from other origins as part of its strategy to optimize the cost of coal. The company will also explore the possibility of operationalizing the its Coal Mine to bring long-term fuel supply stability to the company.

Further, to overcome the risk relating to reliability of Karaikal Port and the Rail transportation for movement of Coal, the construction of the captive jetty with conveyor connecting the Jetty and the plant has been undertaken. The implementation of the said project would re-start upon implementation of the debt restructuring plan and obtaining of Environmental Clearance for the port project as the existing Environmental Clearance is valid only up to October 2021. Upon completion of the captive jetty, the same would improve the fuel supply chain and would also result in savings in the logistics cost. In relation to the forex exposure to the import of coal, the Company is covered to a certain extent as the forex component is a pass-through under the long-term PPA with TANGEDCO which acts as a natural forex hedge for the Company.

iii. Plant Operation and Maintenance

As the Operations of your Company is plant oriented, Operation and Maintenance issues of the Power Plant like lower plant availability, higher heat rate (coal consumption), higher auxiliary power consumption, Higher O&M expenses, etc., are likely to have an adverse impact on the financials of the Company.

A separate department in the name of "Operational Efficiency" monitors the plant performance, condition of the machines, improving the operations and preventive actions, etc. This department along with its team constantly monitors the plant operations and reports on a daily basis about the health of the plant and suggests corrective actions.

The Operation and Maintenance aspects of the plant are reviewed daily and the operational issues are Cooperatively resolved. Your Company has also been adopting best practices in the industry in predictive and preventive maintenance and as a result, the technical plant availability is around 90%.

Your Company has also adopted various energy conservation measures and as a result, the auxiliary power consumption is well below design. Your Company has been constantly making efforts to develop the spares indigenously to reduce the reliance on imports.

The O&M contracts are based on functional guarantees with appropriate liquidated damages. The performance of the O&M contractors are reviewed periodically.

Also, only coal which meets the technical requirements of the plant is procured to ensure optimum performance of the plant.

iv. Power Off-take Risk

Your Company faces / may face loss of revenue due to lower off take of power by the Procurers. Your Company has a long-term PPA with TANGEDCO for 540 MW, the second unit is utilized to take advantage of short-term contracts at reasonable profit during the peak seasons of the year. The PPA with TANGEDCO provides for Capacity Charges based on availability which mitigates this risk to some extent. Further, whenever the tariff on the Power Exchange is above the cost of generation, the Company sells the capacity available for sale on the exchange so as to earn additional revenue / margin.

v. Human Resource

The Company views its employees as its major asset and believes that key performers drive growth. During the last couple of years, Company has been facing higher attrition of high potential employees.

To assure parity in payments among Peer Companies, the Company has reintroduced Performance Management System. The company has been mitigating this risk by recruiting replacements on time and optimizing resources by internally grooming high potential employees as a succession to existing roles and by elevating existing employees with additional scope. Also, your Company has been consistently focusing on reduction of the attrition of employees, retention of critical talent and competency development. Your company has commenced need basis training & development programs to bridge the competency gaps in a phased manner and also has resumed need-based employee engagement and development activities to make ITCPL an exciting, safe workplace and a healthy work environment for all. Your company focused on the reduction of annual attrition rates from 17% in FY 19-20 to 9% in FY 21-22. Your company shall continue these initiatives & resumptions to ensure the operations of your Company are not affected due to inadequate manpower skill.

By Order of the Board of Directors

Nand Kishore Director	**Sanjeev Seth Managing Director**	**Feby Koshy Bin Koshy Director**	**Kaushik Modak Director**
DIN: 08267502	**DIN: 07945707**	**DIN: 08483345**	**DIN: 01266560**
Date: 31.05.2023	**Date: 31.05.2023**	**Date: 31.05.2023**	**Date: 31.05.2023**
Place: Delhi	**Place: Chennai**	**Place: Mumbai**	**Place: Mumbai**

INDEPENDENT AUDITOR'S REPORT

To the Members of IL&FS Tamil Nadu Power Company Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of IL&FS Tamil Nadu Power Company Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which comprise the consolidated Balance Sheet as at 31st March 2023, 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").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects and possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended(Ind AS), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2023, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis of Qualified Opinion

We draw attention to the matters more fully discussed in the following notes to the consolidated financial statements:

a) The accompanying consolidated financial statements include Rs.486.98 million, Rs. 8.63 million and Rs. (0.31) million (PY Rs. 472.65 million, Rs. 10.45 million and Rs. 0.35 million) of total assets, total losses and net cash flows, respectively, pertaining to Company's subsidiaries, whose consolidated financial statements have been prepared by management but have not been

CNK & ASSOCIATES LLP CHARTERED ACCOUNTANTS CHENNAI

audited. We are unable to comment on the consequential effects, had such consolidated financial statements been audited.

b) Note 2 to the consolidated financial statements regarding determination of recoverable value, and provision of impairment of property, plant and equipment in the previous year. As discussed in that Note, any future changes to estimates, assumptions and dependencies on external factors, including inter alia the extension of power purchase agreement with the state electricity distribution company / entering into new revenue agreements, continued validity of the various assumptions made, consideration by management, may affect the recoverable value of the related assets and consequently the provision for impairment recorded by the Group.

c) Note 43 to the consolidated financial statements, relating to contractual liabilities not accounted for, for the reasons stated in the said note. In our opinion, the Company may be required to account for the liabilities aggregating Rs. 6,655.58 million as at March 31, 2023 (PY Rs.6,655.58 million). Further, pending the final assessment and determination of various claims received as stated in Note 43 we are unable to comment on the adjustments that may be required in this regard, to the consolidated financial statements.

d) We draw attention to Note 27 to the accompanying financial statements, stating that the value of trade and other payables in foreign currency has been restricted to the liability in INR as crystalized on October 15, 2018 and not restated as at closing rate as on reporting date as per reasons mentioned in the note. The same is not in compliance with Ind AS 21 – The Effect Changes in Foreign Exchange Rates. Accordingly, profit for the year ended 31st March 2023 has been overstated by Rs. 437.37 million (Previous Year by Rs.153.48 million). As a result, trade and other payables as on reporting date is understated by Rs.559.29 million (Previous Year by Rs.121.92 million) with corresponding impact on retained earnings;

Our previous year audit report was also modified in respect of Para a), b) and c).

We conducted our audit of the consolidated financial statements 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained sufficient and appropriate to provide a basis of our opinion on consolidated financial statements.

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Material Uncertainty Related to Going Concern

We draw attention to note 1.4 A (c) of the accompanying Consolidated financial statements which states that:

a) Though the consolidated net worth of the Group as on March 31, 2023 is Rs.19,403.62 million (PY Rs.15,224.57 million), if the non-provision of finance cost estimated to Rs.51,452.90 million (PY Rs.38,843.82 million) is considered (Refer Note 15.6 to the consolidated financial statements) till the reporting date, the net worth would be negative Rs. 32,049.28 million (PY Rs.23,619.25 million);

b) As reported in Note 15.6, the Holding Company has defaulted on payments of borrowings;

c) Further, as of March 31, 2023, the current liabilities of the Group aggregating to Rs. 95,107.27 million (PY Rs.94,274.02 million) exceed the current assets aggregating to Rs. 45,577.67 million (PY Rs.37,972.56 million);

The above points indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Our opinion is not qualified in respect of this matter.

Emphasis of Matter

We draw attention to

a) Our observations in above paragraph of 'Material uncertainty related to Going Concern' whereby the consolidated financial statements are prepared on 'Going Concern' basis;

b) Note 15.8 and Note 15.9 to the consolidated financial statements, wherein it is stated that pursuant to National Company Law Appellate Tribunal (NCLAT) order dated March 12, 2018 related to crystallisation of claims as of cut-off date (i.e. October 15, 2018 for loans from banks and debentures, and October 31 2018 for cash credit accounts), and that no interest, additional interest, default interest, penal charges or other similar charges are to be accrued after the cut-off date;

c) Note 15.10 to the consolidated financial statements, wherein it is stated that for reasons stated in that note, the Company has not recorded the net difference of Rs. 30,478.10 million as of March 31, 2023 (previous year Rs. 19,172.40 million) between balances as per books of the company and as per bank and financial institutions in respect of loans from banks and financial institutions;

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d) Note 44, relating to the regulatory order for re-opening of books of accounts and re-casting of financial statements of certain group companies, and Note 45, relating to the forensic investigation process initiated but not yet concluded in respect of entities in the group, including the Company, when possible consequential effects on the consolidated financial statements cannot be determined as of even date;

e) Note 46 to the consolidated financial statements regarding certain non-compliances of laws and regulations (including certain requirements of the Act), and non-compliance of certain loan covenants.

Our opinion is not qualified in respect of the above matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Director's report including annexures to the Director's Report, Corporate Governance Report and Management Discussion and Analysis Report but does not include the consolidated financial statements and our auditor's report thereon. The other information as above 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 during the course of our audit or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the those charged with governance.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements.

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under section 133 of the Act. The respective board of directors of the company included in the group are responsible for maintenance of adequate

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accounting records in accordance with the provisions of the Act for safeguarding of assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are responsible and prudent; and the 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 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.

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

The respective board of directors of the companies included in the group are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the consolidated financial statements

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 expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

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

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CHENNAI

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of 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 Group'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 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.

We communicate with those charged with governance of the Holding Company, 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.

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.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, we report to the extent applicable that:

   (a) We have sought and obtained except for matters described in the Basis for Qualified Opinion paragraph, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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CHARTERED ACCOUNTANTS
CHENNAI

(b) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Statement of Cash flows and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matter described in the Basis of qualified opinion and Material Uncertainties relating to Going Concern in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of the written representations received from the directors 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 is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) As per the Guidance Note on 'Audit of Internal Financial Controls over Financial Reporting' issued in September 2015 by ICAI, since there are no subsidiaries incorporated in India, no reporting on the adequacy of the internal financial controls with reference to financial statements of the said subsidiaries and the operating effectiveness of such controls is required. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our report in Annexure II' of the standalone financial statements;

(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 Group has disclosed the impact of pending litigations on its consolidated financial statements -Refer note 33 to the consolidated financial statement;

    (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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CHARTERED ACCOUNTANTS
CHENNAI

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the companies incorporated in India;

(iv) a) The respective management's of the holding company and that of its subsidiaries has represented that, during the year to the best of its' knowledge and belief, 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 holding company or any of it subsidiaries to or in any other person(s) or entity(ies), 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 holding company or any of the such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective management's of the holding company and that of its subsidiaries, has represented that, during the year to the best of its' knowledge and belief, no funds have been received by the holding company or any of it subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the holding company or any of it subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstance; 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), as provided under (a) and (b) above, contain any material misstatement.

(v) There were no amounts which were declared or paid during the year as dividend by the company.

2) In our opinion, the managerial remuneration paid by the Holding Company to its directors for the year ended March 31, 2023 has been paid/provided by the company to its directors are in accordance with provision of section 197 read with schedule V of the Act.

3) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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CHARTERED ACCOUNTANTS
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4) This report does not contain a statement on the matter specified in paragraph 3(xxi) of 'the Companies (Auditors' Report) Order, 2020' ("CARO 2020") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act as, in our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to five companies included in these Consolidated Financial Statements.

FOR C N K & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Firm Registration Number: 101961W/W-100036

Vijay Mehta

Partner

Membership Number: 106533

UDIN: 23106533BGXNHR6253

Place: Mumbai

Date: May 31, 2023

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IL&FS TAMIL NADU POWER COMPANY LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023
All amounts are in ₹ million, except share data and as stated

S.No	Particulars	Note no.	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
A	**ASSETS**				
	Non-current assets				
	(a) Property, plant and equipment	2	60,328.31	62,141.09	63,139.53
	(b) Capital Work in Progress	3	480.06	464.79	602.44
	(c) Other intangible assets	4	0.54	0.64	0.36
	(d) Financial assets				
	(i) Investments	5	0.12	0.12	0.12
	(ii) Trade receivables	6	15,333.44	16,490.33	2,220.95
	(iii) Other financial assets	7	596.56	564.79	1,716.66
	(e) Non-current tax assets (net)	12	163.15	108.25	30.49
	(f) Other non current assets	8	26.79	-	6.20
			76,928.97	**79,770.01**	**67,716.75**
	Current assets				
	(a) Inventories	9	4,250.62	1,608.20	2,448.57
	(b) Financial assets				
	(i) Trade receivables	6	13,552.71	18,471.54	19,117.63
	(ii) Cash and cash equivalents	10	1.41	1.82	17,109.18
	(iii) Bank balances other than (ii) above	11	26,758.91	16,931.59	713.41
	(iv) Other financial assets	7	466.15	377.61	102.61
	(c) Other current assets	8	547.87	581.80	524.61
			45,577.67	**37,972.56**	**40,016.01**
	Total assets		**1,22,506.64**	**1,17,742.57**	**1,07,732.76**
B	**EQUITY AND LIABILITIES**				
	Equity				
	(a) Equity share capital	13	2,002.08	2,002.08	2,002.08
	(b) Other equity	14	17,433.58	13,253.30	2,524.09
	Non Controlling Interest		(32.04)	(30.81)	(28.77)
	Total equity		**19,403.62**	**15,224.57**	**4,497.40**
	Liabilities				
	Non-current liabilities				
	(a) Long term provisions	19	0.47	0.47	12.76
	(b) Other non-current liabilities	18	7,995.28	8,243.51	8,488.45
			7,995.75	**8,243.98**	**8,501.21**
	Current liabilities				
	(a) Financial liabilities				
	(i) Borrowings	15	82,275.00	82,244.76	81,997.56
	(ii) Trade payables	16			
	Total outstanding dues of micro enterprises and small enterprises		23.81	19.83	7.50
	Total outstanding dues of creditors other than micro enterprises and small enterprises		4,809.93	4,008.81	4,571.97
	(iii) Other financial Liabilities	17	7,725.77	7,723.16	7,887.10
	(b) Short term provisions	19	8.33	15.25	2.96
	(c) Other current liabilities	18	264.43	262.21	267.06
			95,107.27	**94,274.02**	**94,734.15**
	Total liabilities		**1,03,103.02**	**1,02,518.00**	**1,03,235.36**
	Total equity and liabilities		**1,22,506.64**	**1,17,742.57**	**1,07,732.76**

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101961W/W-100036

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: 31.05.2023

For and on behalf of the Board of Directors

Nand Kishore
Director
DIN No:08267502

Place: Delhi
Date: 31.05.2023

Sanjeev Seth
Managing Director
DIN No:07945707

Place: Chennai
Date: 31.05.2023

Feby Koshy Bin Koshy
Director
DIN No:08483345

Place: Mumbai
Date: 31.05.2023

Kaushik Modak
Director
DIN No:01266560

Place: Mumbai
Date: 31.05.2023

Saravanan Ranganathan
Chief Financial Officer

Place: Chennai
Date: 31.05.2023

Harshlatha J Lalvani
Company Secretary

Place: Chennai
Date: 31.05.2023

C N K & ASSOCIATES LLP CHARTERED ACCOUNTANTS CHENNAI

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IL&FS TAMIL NADU POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023
All amounts are in ₹ million, except share data and as stated

S.No	Particulars	Note no.	Year ended March 31, 2023	Year ended March 31, 2022
I	Revenue from operations	20	23,452.87	26,416.53
II	Other income	21	1,117.89	610.97
III	Total income (I+II)		**24,570.76**	**27,027.50**
IV	Expenses:			
	Cost of materials consumed	22	15,408.13	12,500.51
	Other direct expenses	23	887.60	664.59
	Employee benefits expense	24	242.41	225.22
	Finance costs	25	133.20	238.14
	Depreciation, amortisation and provision for impairment	26	1,983.91	1,509.44
	Other expenses	27	1,724.13	1,164.93
	Total expenses (IV)		**20,379.38**	**16,302.83**
V	Profit before tax (III-IV)		**4,191.38**	**10,724.67**
VI	Tax expense:			
	(1) Current tax	28		
	In respect of current year		-	-
	In respect of previous year		-	-
	(2) Deferred tax	28	-	-
			-	-
VII	Profit for the year (V-VI)		**4,191.38**	**10,724.67**
	Profit Attributable to:			
	Owners of the parent		4,191.66	10,725.05
	Non - controlling interest		(0.28)	(0.38)
VIII	Other comprehensive income			
	i) Items that will not be reclassified to profit or loss			
	a) Re-measurement (loss)/gain of defined benefit plans, net of tax		(0.52)	2.84
	ii) Items that will be reclassified to profit or loss			
	a) Exchange difference on translation of foreign operations		(10.86)	1.36
	Total other comprehensive income		**(11.38)**	**4.20**
IX	Total comprehensive income for the year (VII+VIII)		**4,180.00**	**10,728.87**
	Total Comprehensive income attributable to:			
	Owners of the parent		4,180.28	10,729.25
	Non - controlling interest		(0.28)	(0.38)
X	Earnings per equity share (nominal value per share ₹ 10)			
	- For continuing operations			
	(a) Basic	38	₹ 20.94	₹ 53.57
	(b) Diluted		₹ 18.15	₹ 40.93

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101961W/W-100036

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: 31.05.2023

For and on behalf of the Board of Directors

Nand Kishore Director DIN No:08267502	Sanjeev Seth Managing Director DIN No:07945707	Feby Koshy Bin Koshy Director DIN No:08483345
Place: Delhi Date: 31.05.2023	Place: Chennai Date: 31.05.2023	Place: Mumbai Date: 31.05.2023
Kaushik Modak Director DIN No:01266560	Saravanan Ranganathan Chief Financial Officer	Harshlatha J Lalwani Company Secretary
Place: Mumbai Date: 31.05.2023	Place: Chennai Date: 31.05.2023	Place: Chennai Date: 31.05.2023

CHARTERED ACCOUNTANTS C N K & ASSOCIATES LLP CHENNAI

IL&FS TAMIL NADU POWER COMPANY LIMITED CHENNAI

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IL&FS TAMIL NADU POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ million, except share data and as stated

	Year ended March 31, 2023		Year ended March 31, 2022	
A. Cash flows from operating activities				
Profit before tax		**4,191.38**		**10,724.67**
Adjustments for :				
Depreciation and amortisation	1,983.91		1,972.00	
Reversal of provision of impairment of property, plant & equipment	-		(975.36)	
Provision for inpairment of property, plant & equipment	-		512.80	
Finance costs	133.20		238.14	
Deferred income from government grants	(248.36)		(248.39)	
Interest income	(1,115.56)		(529.23)	
Provision for bad & doubtful debts (net)	1,216.83		713.61	
		1,970.02		**1,683.57**
Operating profit before working capital changes		**6,161.40**		**12,408.24**
Changes in working capital				
Adjustments:				
Decrease / (increase) in trade receivables	4,859.48		(14,335.72)	
(Increase) / decrease in inventories	(2,797.45)		393.64	
(Increase) in other assets	(3.21)		(48.15)	
(Increase) in other financial assets	(121.06)		(296.09)	
Increase / (decrease) in trade payable	805.10		(550.99)	
(Decrease) / increase in other liabilities and provisions	(4.57)		(1.40)	
Increase / (decrease) in other financial liabilities	2.61		(163.95)	
		2,740.90		**(15,002.66)**
Cash generated from operating activities		**8,902.30**		**(2,594.42)**
Tax (paid) / refund received (net)		**(21.53)**		(76.21)
Net cash flows from operating activities		**8,880.77**		**(2,670.63)**
B. Cash flows from investing activities				
Purchase of property, plant and equipments and intangible assets (including capital work-in-progress and capital advances and effect of exchange differences)	(33.82)		71.80	
Fixed deposits matured	0.74		1,172.96	
Bank balances considered as other than cash and cash equivalent	(9,827.32)		(16,218.18)	
Interest received	1,082.18		527.64	
Net cash used in investing activities		**(8,778.22)**		**(14,445.78)**
C. Cash flows from financing activities				
Finance costs	(102.96)		9.05	
Net cash used in financing activities		**(102.96)**		**9.05**
Net cash flows during the year (A+B+C)		**(0.41)**		**(17,107.36)**
Reconciliation				
Cash and cash equivalents at the beginning of the year		1.82		17,109.18
Cash and cash equivalents at the end of the year		**1.41**		1.82
Net (decrease) in cash and cash equivalents		**(0.41)**		**(17,107.36)**

Note:

The statement of cash flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of cash flow'

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No.101961W/W-100036

CHARTERED ACCOUNTANTS CHENNAI

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: 31.05.2023

For and on behalf of the Board of Directors

Nand Kishore
Director
DIN No:08267502

Place: Delhi
Date: 31.05.2023

Sanjeev Seth
Managing Director
DIN No:07945707

Place: Chennai
Date: 31.05.2023

Feby Koshy Bin Koshy
Director
DIN No:08483345

Place: Mumbai
Date: 31.05.2023

TAMIL NADU POWER COMPANY LIMITED CHENNAI IL&FS

Kaushik Modak
Director
DIN No:01266560

Place: Mumbai
Date: 31.05.2023

Saravanan Ranganathan
Chief Financial Officer

Place: Chennai
Date: 31.05.2023

Harshlatha J Lalwani
Company Secretary

Place: Chennai
Date: 31.05.2023

IL&FS TAMILNADU POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023
All amounts are in ₹ million, except share data and as stated

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Particulars	Equity share capital		Reserves and surplus			Items of other comprehensive income	Controlling interest	Non - controlling interest	Total
			Securities premium account	Debenture redemption reserve	Retained earnings	Foreign currency translation reserve			
	No of shares	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Restated balance as at April 01, 2021	20,02,07,764	2,002.08	37,626.82	16.95	(34,334.29)	(785.39)	2,524.09	(28.77)	2,495.32
Profit/(loss) for the year	-	-	-	-	10,725.05	1.36	10,726.42	(0.38)	10,726.03
Remeasurement of defined benefit plans, net of tax	-	-	-	-	2.84	-	2.84	-	2.84
Additions for the year	-	-	-	-	-	-	-	(1.66)	(1.66)
Restatement impact (refer note 35)	-	-	-	-	(557.18)	557.14	(0.05)	-	(0.05)
Balance as at March 31, 2022	**20,02,07,764**	**2,002.08**	**37,626.82**	**16.95**	**(24,163.58)**	**(226.89)**	**13,253.30**	**(30.81)**	**13,222.49**
Profit/(loss) for the year	-	-	-	-	4,191.66	(10.86)	4,180.80	(0.28)	4,180.52
Remeasurement of defined benefit plans, net of tax	-	-	-	-	(0.52)		(0.52)	-	(0.52)
Additions for the year							-	(0.95)	**(0.95)**
Balance as at March 31, 2023	**20,02,07,764**	**2,002.08**	**37,626.82**	**16.95**	**(19,972.44)**	**(237.75)**	**17,433.58**	**(32.04)**	**17,401.54**

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For and on behalf of the Board of Directors

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No.101961W/W-100036

C N K & ASSOCIATES LLP CHARTERED ACCOUNTANTS CHENNAI

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: 31.05.2023

Nand Kishore
Director
DIN No:08267502

Place: Delhi
Date: 31.05.2023

Sanjeev Seth
Managing Director
DIN No:07945707

Place: Chennai
Date: 31.05.2023

Feby Koshy Bin Koshy
Director
DIN No:08483345

Place: Mumbai
Date: 31.05.2023

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Kaushik Modak
Director
DIN No:01266560

Place: Mumbai
Date: 31.05.2023

Saravanan Ranganathan
Chief Financial Officer

Place: Chennai
Date: 31.05.2023

Harshlatha J Lalwani
Company Secretary

Place: Chennai
Date: 31.05.2023

1.1 Corporate information

IL&FS Tamil Nadu Power Company Limited ("ITPCL", having Company Identification Number U72200TN2006PLC060330) was incorporated on June 26, 2006 as a public limited company. The Company is the subsidiary of IL&FS Energy Development Company Ltd. The Company and its subsidiaries collectively referred to as 'the Group'.

The Group was established for setting up a thermal based power project of 3600 Mega Watt (MW) at a facility in Parangipettai in Tamil Nadu. The project was envisaged in two phases – Phase I of 1,200 MW (in two units of 600 MW each) and the remainder in Phase II. Unit 1 of Phase I, of 600 MW, achieved COD (Commercial Operations Date) during the financial year 2015-16, and Unit 2 achieved COD (Commercial Operations Date) during the financial year 2016-17. The Group has entered into a Power Purchase Agreement ("PPA") in respect of Unit 1 with the Tamil Nadu Generation and Distribution Corporation Limited ("TANGEDCO"), for a period of 15 years effective June 1, 2014, and a PPA in respect of Unit 2 with PTC India Limited for a period of 3 years effective April 1, 2019.

The financial statements were approved for issue by the board of directors on May 31, 2023.

1.2 Significant developments at IL&FS and various group companies in FY 2018-19 and subsequently

1.2.1 Significant developments at IL&FS

Infrastructure Leasing & Financial Services Limited ("IL&FS" or the "Holding Company") reported defaults on its borrowing obligations during the financial year 2018-19. Further, the credit rating of IL&FS was downgraded to 'D' (lowest grade) in September 2018.

Pursuant to a report filed by the Registrar of Companies, Mumbai ("RoC") under Section 208 of the Companies Act, 2013, the Government of India vide their Order dated September 30, 2018, directed that the affairs of the Holding Company be investigated by the Serious Fraud Investigation Office ("SFIO"). SFIO commenced investigation of affairs of the Company. SFIO submitted an interim report under Section 212(11) of the Companies Act, 2013, on November 30, 2018.

The Union of India on October 1, 2018 filed a petition with the National Company Law Tribunal ("NCLT") seeking an order under section 242(2) and section 246 read with section 339 of the Companies Act, 2013 on the basis of the interim reports of the RoC and on the following grounds:

I. The precarious and critical financial condition of IL&FS and its group companies and their inability to service their debt obligations had rattled the money market.
II. On a careful consideration of the Union of India, it was of the opinion that affairs of IL&FS and its group companies were conducted in a manner contrary to the public interest due to its mis-governance; and
III. The intervention of the Union of India is necessary to prevent the downfall of IL&FS and its group companies and the financial markets.

It was felt that the governance and management change is required to bring back the IL&FS Group from Financial collapse, which may require, among other things, a change in the existing Board and management and appointment of a new management.

Based on the above petition, the NCLT vide its order dated October 1, 2018 suspended the erstwhile Board and appointed the New Board proposed by the Union of India.

The present constitution of the New Board is as follows:

1. Mr. C S Rajan, Chairman & Non – Executive Director (October 03, 2018)
2. Mr. Nand Kishore, Managing Director (October 01, 2018)
3. Dr. Malini Vijay Shankar, Non- Executive Director (October 01, 2018)
4. Mr. Gurumoorthy Mahalingam, Non- Executive Director (October 15, 2018)

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Further, applications were made by the Union of India and others, to the NCLT and the National Company Law Appellate Tribunal ("NCLAT") on various matters. The NCLAT, on October 15, 2018, ordered a stay until further orders on the following matters:

I. The institution or continuation of suits or any other proceedings by any party or person or bank or company against IL&FS and its group companies in any court of law/tribunal/arbitration panel or arbitration authority.

II. Any action by any party or person or bank or company etc., to foreclose, recover, enforce any security interest created over the assets of IL&FS and its group companies including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002.

III. The acceleration, premature, withdrawal, or other withdrawal, invocation of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, guarantees, letter of support, commitment or comfort and other financial obligations availed by IL&FS and its group companies.

IV. Suspension of temporarily any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, and any financial liability taken by IL&FS and its group companies.

V. Any and all banks and financial institutions from exercising the right to set off or lien against any amount lying with any creditor against any dues whether principal or interest or otherwise against the balance lying in any bank account and deposits whether current, savings or otherwise of IL&FS and itsgroup companies.

The NCLAT has vide its order dated March 12, 2020 approved the resolution framework. This has been dealt with in Note 1.2.2.

1.2.2 Resolution process proposed by new Board of Directors of the Holding Company

The New Board of Directors of the Holding Company (hereinafter, "New Board"), as part of the resolution process, has submitted several progress reports to the NCLT. This includes framework for a resolution plan and process, steps undertaken for monetization of assets, appointment of consultants, and classification of group entities based on their abilities to meet various financial and operational obligations, measures for cost optimization and protocol for making payments beyond certain limits.

As stated in Note 1.2.1, in terms of the NCLAT order, there is a moratorium on creditors from proceeding against IL&FS and its group entities, except under article 226 of the Constitution of India.

The resolution plan seeks a fair and transparent resolution for the Holding Company while keeping in mind larger public interest, financial stability, various stakeholders' interest, compliance with legal framework and commercial feasibility. It is proposed to have a timely resolution process which in turn mitigate the fallout on the financial markets of the country and restore investor confidence in the financial markets thereby serving larger public interest. IL&FS being a holding company and registered as a Core Investment Company (CIC) with RBI, depends on its group entities to continue operating as a going concern. The resolution plan and processes for various verticals are under way and options of restructuring business, as well as exits are planned. The plan of the management is to sell/exit from assets at the group entity as a goingconcern.

The IL&FS Group resolution involves resolution of 302 entities, operating across more than 10 distinct business verticals. When the new Board of Directors were appointed, the aggregate principal amount of the external fund based debt exposure of the IL&FS Group was in excess of Rs. 94,000 crore (in addition to non- fund based exposure of Rs. 5,100 crores). The New Board have been tasked by the Hon'ble NCLT with the resolution of this multi-layered group with various inter linkages.

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IL&FS Tamil Nadu Power Company Limited
Notes to the Consolidated financial statements for the year ended March 31, 2023
(All amounts are in ₹ million, unless otherwise stated)

The New Board is pursuing vertical level, SPV level and asset level resolution plan. The assessment of the New Board, based on analysis of the current position of and challenges facing the IL&FS group, is that an Asset Level Resolution Approach serves the best interest of all stakeholders to achieve final resolution. Further, the stakeholders' interests will be considered.

The entities in the IL&FS group, have been classified into Indian and offshore entities. Further, the Indian IL&FS entities have been classified by an independent third party, into three categories of entities based on a 12-month cash flow based solvency test viz "Green", "Amber" and "Red", indicating their ability to repay both financial and operating creditors, only operating creditors, or only going concern respectively.

In this regard, ITPCL is classified as an "Amber" entity, indicating that it is not able to meet all obligations (financial and operational), but can meet only operational payment obligations and payment obligations to senior secured financial creditors. Accordingly, ITPCL is permitted to make only those payments necessary to maintain and preserve the going concern status.

The New Board has been following a three-pronged strategy - Resolve, Restructure and Recover - while adopting the approach of equitable distribution and balancing interests of stakeholders across the IL&FS Group under IBC and Corporate Finance principles to resolve the debt.

Taking into account the vast challenges facing the IL&FS Group, including the complexity posed by its structure, width of operating business, scale and levels of group –wide consolidated leverage, the New Board (in consultation with its advisors) has formulated a unique resolution framework as outlined in various progress reports and responses ("Resolution framework") which were submitted to the MCA for its consideration which in turn filed the same with Hon'ble NCLT and Hon'ble NCLAT as appropriate. The Resolution Framework covers a comprehensive process for implementing an "Asset level Resolution" for the Group. All such steps have been undertaken under section 241 and 242 of the Companies Act, 2013 and in consultation with the MCA.

The Resolution Framework contemplates a process which is fair and transparent and seeks to balance the interests of varied stakeholders across levels and is being undertaken under the supervision of a retired Supreme Court Judge as mandated by Hon'ble NCLAT. The Hon'ble NCLAT on March 12, 2020 approved the said Resolution Framework inter alia approving process and procedures as proposed.

Since taking charge on October 1, 2018, the New Board has initiated various measures to achieve the resolution of the IL&FS Group, including:

(i) Asset monetisation (as part of the 'Asset Level Resolution' in accordance with the Resolution Framework);

(ii) Liquidity management (including the solvency analysis and entity categorisation as well as cash build up) and cost optimisation measures; and debt restructuring efforts.

(iii) The Third Progress Report on the 'Proposed Resolution Framework for IL&FS Group' dated December 17, 2018 (Initial Resolution Framework), the Addendum dated January 15, 2019 thereto (First Addendum), and the Second Addendum dated December 5, 2019 (Second Addendum) (collectively, "Resolution Framework") have been filed with MCA which have in turn been filed with the National Company Law Appellate Tribunal ("NCLAT"). The Hon'ble NCLAT vide the March 12, 2020 Judgment approved inter alia the Resolution Framework and fixed the Cut-Off Date as October 15, 2018 for crystallization of liabilities of creditors. The Resolution Framework sets out the process to be followed for the resolution of IL&FS group entities including IL&FS, and also the manner in which interest of all stakeholder shall be managed in the process.

(iv) Further, the resolution of the entities in the IL&FS Group is being conducted under the supervision of Justice (Retd.) D.K. Jain, appointed by the Hon'ble NCLAT to oversee the resolution process for the IL&FS Group in terms of the orders passed by the Hon'ble NCLAT on February 4, 2019 and February 11, 2019.

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(v) It is to be noted that IL&FS Group entities (which are incorporated in India) have been classified into "Green", "Amber" and "Red", based on their ability to repay their debt obligations over a 12 month look forward testing period. This categorization (along with the principles pertaining to such classification) was filed by the Ministry of Corporate Affairs, Union of India with the Hon'ble NCLAT vide affidavits dated February 11, 2019 and March 12, 2019 and the categorization was last updated on August 08, 2019;

(vi) Hon'ble NCLAT vide order on February 11, 2019 had permitted "Green" entities (including any entities that may subsequently be classified as "Green") to discharge their debt obligations as per scheduled repayment. "Amber" and "Red" entities are permitted to only make payments necessary only to maintain and preserve the going concern status.

(vii) In this regard, the creditors' claims management is undertaken by the Claim Management Advisor ('CMA'). The Creditor claims in respect of IL&FS have been invited, verified and assessed for admissibility by the CMA, with a cut-off date of October 15, 2018 in line with NCLAT directions. This claims management process duly records the nature of security charge specific to each creditor.

(viii) As of date, the new board has initiated / completed asset monetization plan in respect of several investments / assets and other properties, which are in various stages of sale and resolution.

1.3 Application of new and revised Ind AS

The Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 on March 31, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023

Ind AS 101 – First time adoption of Ind AS - modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.

Ind AS 102 – Share-based Payment - modification relating to adjustment after vesting date to the fair value of equity instruments granted

Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.

Ind AS 107 – Financial Instruments Disclosures - modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.

Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.

Ind AS 1 - Presentation of Financials Statements – modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.

Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of 'accounting estimate' and application of changes in accounting estimates.

Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.

Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'

The Group is evaluating the amendments and the expected impact, if any, on the Group's financial statements on application of the amendments for annual reporting periods beginning on or after 1 April 2023.

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1.4 Summary of significant accounting policies

A) Basis of preparation and presentation

a) Compliance with Ind-AS

The Consolidated financial statements of the Group for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015, read with Companies (Indian Accounting Standards) as amended, read with the relevant notes below.

The financial statements are presented in Indian Rupees (Rs.) (its functional currency) and all values are rounded off to the nearest millions of Indian Rupees, except where otherwise indicated. Figures for the previous years have been regrouped /rearranged wherever considered necessary to conform to the current year classification.

b) Historical Cost convention

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

c) Going concern assumption

As on March 31, 2023 the Net worth of the Group is Rs. 19,403.62 (March 31, 2022 - Rs.15,224.57). However, after considering non provision of interest (refer note 15.6) of Rs. 51,452.90 (March 31, 2022 - Rs. 38,843.82) the networth would be negative Rs. 32,049.28 (March 31, 2022 - Rs. 23,619.25). The Group also has mismatch in current liabilities at Rs. 95,107.27 (March 31, 2022 - Rs. 94,274.02) Vs. current assets of Rs. 45,577.67 (March 31, 2022 - Rs. 37,972.56) for which the Group is taking adequate steps to meet the liabilities as and when they fall due.

Pursuant to the matter stated in Note 1.2, the IL&FS Group is evaluating sale of certain entities in the group and/or assets of such entities, including in relation to ITPCL. Pending the determination of this approach as regards ITPCL and outcome of the processes, it is not practically possible to determine the consequent effects of such process on the financial statements of the Group. These factors indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Net worth includes accumulated losses which are primarily due to the underutilization of Unit II of the power plant in the early period of its operations, in absence of a structured revenue generation mechanism. In this regard, the Group had entered into a Power Purchase Agreement in respect of Unit II for a period of three years, effective April 1, 2019, and has commenced power supply under the said power purchase agreement after year-end. This agreement has expired on 31.3.2022. Since expiry of this agreement, Group is able to supply power through short term contract and exploring many such opportunities of power sale in the market. Further, the cash flows projections prepared by management covering the period up to financial year 2040-41 (i.e., co-terminus with the tenure of the Group's borrowings as of date), in respect of both Unit I and Unit II in the aggregate, shows net positive cash flows, based on which management is confident that the

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Group will be able to carry on its regular operations, generate sufficient cash flows from operations and pay its liabilities as they fall due, during the next 12 months and the foreseeable future.

Current liabilities includes the entire outstanding borrowing, Group is also going through debt restructuring process and on implementation of debt restructuring the outstanding principle amount shall be repayable in structured installments over a period of years and the interest liability would reduce significantly from the amount of Rs. 51,452.90 (March 31, 2022 - Rs.38,843.82) mentioned above. Mismatch in current liability and current assets is owing to classification of book debts of Rs. 15,333.44 (March 31, 2022 - Rs.16,490.33) to non-current asset basis the payment of arrears through instalment scheme. However the Group has represented in various forums for early payment of dues and accordingly the book debts would be reclassified in future.

Accordingly, these financial statements have been prepared on the basis that the Group is a going concern and do not include any adjustments to the carrying value or classification of assets and liabilities as at March 31, 2023.

d) Significant accounting judgements, estimates andassumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods.

Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Useful life of Property, Plant &Equipment

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates

(ii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establishes appropriate valuation techniques and inputs to the 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. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 40.5.

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(iii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 37.

(iv) Impairment

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

Impairment of Non-financial assets: Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is higher of its fair value less costs of disposal & its value in use. The fair value less costs of disposal calculation is based on available data from binding sale transactions, conducted at arm's length for similar assets or observable market prices less incremental costs for disposing the asset. The value in use is based on a DCF model.

(v) Taxes

Determining of income tax liabilities using tax rates and tax laws that have been enacted or substantially enacted requires the management to estimate the level of tax that will be payable based upon the Group's/ expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

In respect of other taxes which are in disputes, the management estimates the level of tax that will be payable based upon the Group's / expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

(vi) Revenue

Revenue from operations on account of force majeure / change in law events in terms of Power Purchase Agreements with State Power Distribution Utilities, in certain cases is accounted for by the Group based on best estimates including orders / reports of Regulatory Authorities, which may be subject to adjustments on receipt of orders of the respective Regulatory Authorities or final closure of the matter with the customers.

(vii) Going concern assumption

These financial statements have been prepared on the basis that the Group will continue as a going concern for the foreseeable future. (refer note 1.4.A(c) for management's assessment regarding going concern, including related judgments involved).

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B) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

C) Property, Plant and Equipment (PP&E)

i. Land and building held for use in the production or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated are carried at cost less impairment losses, if any.

ii. Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset. Cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

iii. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

iv. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

v. Capital work-in-progress: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

vi. The Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1,2015 under the previous GAAP as its deemed cost on the date of transition to Ind AS.

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vii. Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

The estimated useful life adopted by the Group are mentioned below

Asset	Useful Life (in years)	Schedule II – Useful life (in years)
Data Processing Equipments - Server & Networking	4	6
Leasehold improvements incl. installations	Over the primary period of lease	Over the primary period of lease
Office equipment	5	5
Electrical Installation	10	10
Furniture & Fixtures	10	10
Plant & Machinery	40	40
Transmission Line	40	40
Buildings & Civil Structures	30	30
Hydraulic Works, Pipelines & Sluices	15	15
Bridges	30	30
Railway Siding & Track Hopper	15	15
Roads (non-carpeted) and drains	3	3
Vehicles – Cars	4	8
Vehicles – Cars used by employees	5	8
Vehicles – Motor cycles	8	10
Temporary structures at project site	From the date of completion to the estimated date of commencement of commercial operations.	

The Group, based on technical assessment made by management estimate, depreciates certain items over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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.

D) Intangible Assets

Ind AS 38, "Intangible Assets" requires that intangible assets be amortised over their expected useful lives unless their lives are considered to be indefinite. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with infinite useful life have not been amortised whereas it has been tested for impairment on annual rests.

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The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

The carrying amount of intangible asset is tested for impairment by comparing the carrying value with the asset's recoverable amount, which is higher of its value in use and its fair value less costs to sell. Should the carrying amount exceed the corresponding recoverable amount, an impairment charge equal to the difference between the carrying amount and the recoverable amount is recognised and reported in expense under "Depreciation, amortisation and impairment charges."

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of April,01,2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Intangible Asset	Useful life
Computer software (other than SAP software below)	During the year of purchase or over the actual useful life
SAP Software	3 years

E) Impairment of non-financial assets

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE, investment property, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:
(i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and

(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net fair value less costs of disposal and the value in use. (The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Group suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the statement of profit and loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

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F) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income ('FVTOCI')
- Debt instruments and derivatives at fair value through profit or loss ('FVTPL')
- Equity instruments at fair value through profit or loss ('FVTPL') or at fair value through other comprehensive income ('FVTOCI')

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income ('OCI'). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any debt instrument as at FVTOCI.

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Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Group does not have any debt instrument at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Group has classified its investments in mutual funds as Investments at FVTPL.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

Impairment of financial assets

The Group applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a

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significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the previous year is recognized as expenses in the statement of profit and loss ('P&L'). This amount is reflected under the head 'other expenses' in the P&L.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

Subsequent measurement

All financial liabilities except derivatives are subsequently measured at amortised cost using the effective interest rate 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.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure foreign currency risks.

Derivatives / forward contracts are initially recognised at fair value at the date the derivative / forward contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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G) Derivative financial instruments & Hedge Accounting

The Group enters into a variety of derivative financial instruments to manage its exposure to commodity price and foreign exchange rate risks, including foreign exchange forward contracts and commodity options.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Group designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are capitalised as fair value of underlying is been capitalised. The gain or loss relating to the ineffective portion is recognized immediately in the profit or loss, and is included in the 'Other income or other expense' line item. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting.

H) Foreign Currency Transactions

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For transition to Ind AS, Group has availed exemption under Ind AS 101 for the long-term foreign currency monetary items outstanding as on the date of transition to be accounted under the provision of previous GAAP. Hence the exchange fluctuations pertaining to the long-term foreign currency monetary item outstanding as on the transition date is been capitalised if it is pertaining to the acquisition of asset and in other cases accumulated in the foreign currency monetary item translation reserve and annualised over the period of outstanding.

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Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

• Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

• Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see above for hedging accounting policies);

• Exchange differences on long term foreign currency monetary item outstanding as on the transition date.

• For amounts to be settled in foreign currency as on October 15, 2018 are carried at the exchange rate prevailing on that date

I) Inventories

Inventories other than by products are stated at the lower of cost and net realizable value. Inventories of by-products are valued at net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventories are valued at weighted average basis.

J) Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non- current

K) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

• In the principal market, or
• In the absence of a principal market, in the most advantageous market.

The principal or the most advantageous market must be accessible by the Group. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Group- uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are 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

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At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's - accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. Also refer Note 40.

L) Government grants

The Group recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Where Government grants relates to assets, the cost of assets are presented at gross value and grant thereon is recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Grants related to income are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for. Also refer Note 48.

M) Revenue Recognition

Revenue is recognised at transaction price when:

- the Group satisfies a performance obligation by transferring control of a promised goods / services to a customer; and
- it is probable that the Group will collect the consideration to which it will be entitled to in exchange for the goods or services that will be transferred to the customer.

The Group satisfies the performance obligation by transferring control of promised goods or services to a customer and 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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from Power Supply

Revenue from Sale of Power is recognised on accrual basis based on the actual energy exported by the Group during the relevant accounting period, at the tariff / rate agreed upon with the relevant customer in the contract / agreement and it is probable that the Group will collect the consideration to which it is entitled. The transmission charges, wheeling and other charges recovered from the customers for the energy supplied is also recognised as revenue and the matching amounts paid / payable to the transmission utility is recognised as expenses.

The Group's contracts with customers for the sale of electricity generally include only one performance obligation. The Group has concluded that revenue from sale of electricity should be recognised at the point in time when electricity is supplied to the customer.

The surcharge on late payment / overdue receivables and other taxes which are recoverable is recognized on accrual basis, based on contractual terms and/or commercial considerations, at transaction value basis.

ii) Interest income is recognised on Effective Interest Rate (EIR) basis.

iii) Income from sale of scrap/By products is accounted for on realisation.

iv) Insurance claims are accounted on acceptance of claims by insurance company.

vi) Rental Income is accounted for on straight line basis based on the agreement entered with the lessee.

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N) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred borrowing cost has been computed based on the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

O) Retirement and other employee benefits

Short-term benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other long-term employee benefits

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains / losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

i. Post-employment benefits

The Group operates the following post-employment schemes:

a. <u>Gratuity</u>

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

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Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Group recognises related restructuring costs.
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs and
- Net interest expense or income.

b. Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service

P) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue

Q) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

R) Earnings per Share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

S) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is

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virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

T) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

U) Cash flows statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

V) Segment reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products / services. The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Group. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses

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Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

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All amounts are in ₹ million, except share data and as stated
Note 2 Property, Plant and Equipment

Particulars	Land (owned)	Temporary structures at project site	Roads	Hydraulics works, pipelines and sluices	Bridge Work	Railway Siding & Track Hopper	Transmission Line	Factory building	Furniture and fixtures	Vehicles	Office equipments	Plant and machinery	Computers	Total
Gross carrying value														
As at April 01, 2021	3,605.19	3.53	303.49	2,937.02	50.23	1,981.19	2,512.90	7,085.89	61.40	5.18	29.36	96,543.44	19.36	1,15,138.19
Additions	-	-	-	-	-	-	-	0.31	0.15	1.56	0.37	60.42	2.02	64.84
Additions - stores & spares capitalisation	-	-	-	-	-	-	-	-	-	-	-	446.73	-	446.73
Deletion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	1.36	-	-	-	-	-	1.36
As at March 31, 2022	**3,605.19**	**3.53**	**303.49**	**2,937.02**	**50.23**	**1,981.19**	**2,512.90**	**7,087.56**	**61.55**	**6.74**	**29.73**	**97,050.59**	**21.38**	**1,15,651.12**
Additions	-	-	-	-	-	-	-	0.02	0.17	0.08	1.85	12.83	2.00	**16.95**
Additions - Component capitalisation	-	-	-	-	-	-	-	-	-	-	-	155.03	-	**155.03**
Deletion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	(0.42)	-	-	-	-	-	(0.42)
As at March 31, 2023	**3,605.19**	**3.53**	**303.49**	**2,937.02**	**50.23**	**1,981.19**	**2,512.90**	**7,087.16**	**61.72**	**6.82**	**31.58**	**97,218.45**	**23.38**	**1,15,822.68**

Particulars	Land (owned)	Temporary structures at project site	Roads	Hydraulics works, pipelines and sluices	Bridge Work	Railway Siding & Track Hopper	Transmission Line	Factory building	Furniture and fixtures	Vehicles	Office equipments	Plant and machinery	Computers	Total
Accumulated depreciation and impairment														
As at April 01, 2021	1,522.55	3.53	278.61	1,568.66	8.66	1,018.18	1,015.55	2,862.07	46.13	0.95	22.71	43,634.64	16.40	**51,998.66**
Depreciation expense	-	-	6.61	123.34	1.56	90.96	39.77	154.34	2.06	0.66	3.10	1,548.39	1.13	**1,971.92**
Impairment (Refer Note below)	-	-	-	-	-	-	-	-	-	-	-	512.80	-	**512.80**
Reversal of Impairment	(975.36)	-	-	-	-	-	-	-	-	-	-	-	-	**(975.36)**
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	2.01	-		-	-	-	**2.01**
As at March 31, 2022	**547.19**	**3.53**	**285.22**	**1,692.00**	**10.22**	**1,109.14**	**1,055.32**	**3,018.42**	**48.19**	**1.61**	**25.81**	**45,695.83**	**17.53**	**53,510.03**
Accumulated depreciation and impairment														
Depreciation expense	-	-	3.09	123.33	1.56	90.96	39.77	154.25	2.08	0.68	1.39	1,549.95	1.50	**1,968.56**
Depreciation expense - component capitalisation	-	-	-	-	-	-	-	-	-	-	-	15.25	-	**15.25**
Impairment (Refer Note below)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	0.53	-	-	-	-	-	**0.53**
As at March 31, 2023	**547.19**	**3.53**	**288.31**	**1,815.33**	**11.78**	**1,200.10**	**1,095.09**	**3,173.20**	**50.27**	**2.29**	**27.20**	**47,261.03**	**19.03**	**55,494.37**
Net Carrying amount as at April 01, 2021	**2,082.64**	-	**24.88**	**1,368.36**	**41.57**	**963.01**	**1,497.35**	**4,223.81**	**15.26**	**4.23**	**6.65**	**52,908.80**	**2.96**	**63,139.53**
Net Carrying amount as at March 31, 2022	**3,058.00**	-	**18.27**	**1,245.02**	**40.01**	**872.05**	**1,457.58**	**4,069.14**	**13.35**	**5.13**	**3.92**	**51,354.76**	**3.85**	**62,141.09**
Net Carrying amount as at March 31, 2023	**3,058.00**	-	**15.18**	**1,121.69**	**38.45**	**781.09**	**1,417.81**	**3,913.95**	**11.45**	**4.53**	**4.38**	**49,957.42**	**4.35**	**60,328.31**

Movement of Impairment:

Particulars	**As at 31-03-2023**	**As at 31-03-2022**	**As at 01-04-2021**
Opening balance as at the beginning of the year	39,065.66	39,528.16	33,916.76
Created during the year (refer note below)	-	512.80	5,611.40
Reversed during the year (refer note below)	-	(975.30)	-
Closing balance as at the end of the year	**39,065.66**	**39,065.66**	**39,528.16**

The Group has constructed a thermal based power project of 1200 Mega Watt (MW) in two units {Unit I and Unit II) of 2 X 600 MW each (during Phase I). Unit I achieved its Commenced Operations Date ("COD") in the year 2015-16, and Unit II achieved COD in the year 2016- 17. The Group entered into a Power Purchase Agreement ("PPA") with TANGEDCO in respect of Unit I, for a period of 15 years, effective June 01, 2014. In respect of Unit II, the Group has entered into a PPA effective April 1, 2019, for a period of 3 years.

Management performed an assessment of the recoverable amount of the above-mentioned Cash Generating Unit (CGU), and related provision for impairment, as at March 31, 2023, under the requirements of Ind-AS 36, 'Impairment of Assets'. The Management obtained a third-party valuation on a Fair Market Value less cost of disposal of the CGU and also calculated value in use based on present value of future cash flows. On comparing the two methods, though the value in use is higher than the carrying value of the CGU, the difference in the value is marginal and hence no impairment provision or reversal has been considered in current financial year.
The Group has provided an impairment loss provision during the previous year ended March 31, 2022 - Rs. 512.80

In respect of land the recoverable value is higher than the carrying value. Accordingly, out of the total impairment loss of earlier years Rs. 1,522.55, an amount of Rs. 975.30 of impairment loss was reversed during the previous year ended March 31, 2022.

Note:
a) Refer Note 15 for charge created on Property, Plant and Equipment.
b) All the title deeds of immovable properties as on March 31, 2023 and March 31, 2022 are held in the name of the Group
c) Stores capitalised during the year Rs. 155.03 (March 31, 2022 - Rs. 446.73)

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Note 3 Capital work-in-progress (Mining exploration and evaluation assets)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Capital work-in-progress	811.88	796.61	934.26
Impairment provision (refer note below)	(331.82)	(331.82)	(331.82)
Reversal of impairment	-	-	-
Closing balance as at the end of the year	480.06	464.79	602.44

Note:
As at March 31, 2021 the company carried CWIP of Rs 331.82 (net of impairment provisions till that date) in the financial statements representing costs incurred towards construction of a jetty near the Company's power plant in Tamil Nadu. During the financial year 2020-21, based on the status of the project, funding requirements and other factors, the Company has recognised a provision for impairment for the entire balance of CWIP amounting to Rs. 331.82.

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Note 4: Other Intangible Assets
Computer Software

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Gross carrying value			
Balance at beginning of the year	124.38	124.02	124.02
Additions	-	0.36	-
Disposals	-	-	-
Balance at end of year	**124.38**	**124.38**	**124.02**

Accumulated depreciation and impairment	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balance at beginning of year	123.74	123.66	123.66
Amortisation expense	0.10	0.08	-
Balance at end of year	**123.84**	**123.74**	**123.66**
Net carrying amount at the end of the year	**0.54**	**0.64**	**0.36**

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Note 5:Financial Assets: Investments

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
I) Investments in Joint Venture			
Unquoted Investments			
Investments in Joint venture at Cost			
17,600(2022 - 17,600)equity shares of ₹ 10/- fully paid up in Cuddalore Solar Power Private Limited	0.18	0.18	0.18
Less: Provision for Impairment	(0.18)	(0.18)	(0.18)
Total Investments in Joint Venture	-	-	-
II) Other Investments			
Investment in Government securities			
National Savings Certificate	0.12	0.12	0.12
Total Other Investments	**0.12**	**0.12**	**0.12**
Total Non-Current Investments	**0.12**	**0.12**	**0.12**
Aggregate amount of Unquoted Investments (cost)	0.30	0.30	0.30
Aggregate amount of impairment in value of investments	0.18	0.18	0.18
Aggregate amount of carrying value of investments	0.12	0.12	0.12

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Note 6. Trade Receivables

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Trade Receivables			
Secured, considered good	-	-	-
Unsecured, considered good	27,319.91	30,681.83	18,749.28
Unbilled revenue - considered good	1,566.24	4,280.04	2,589.30
Having significant increase in credit risk	-	-	-
Credit impaired (Refer note 6.2 and 6.4 below)	5,475.93	4,259.10	3,546.08
Loss allowance (ECL) - credit impaired (Refer note 6.4 below)	(5,475.93)	(4,259.10)	(3,546.08)
	28,886.15	**34,961.87**	**21,338.58**
Current	**13,552.71**	**18,471.54**	**19,117.63**
Non-current	**15,333.44**	**16,490.33**	**2,220.95**

Ageing schedule
Outstanding for following periods from due date of payment

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(i) Undisputed Trade Receivables			
a) Considered good			
Not due	859.39	674.09	1,805.71
Less than 6 Months	1,386.42	11,251.43	3,545.80
6 Months - 1 Year	2,653.72	10,322.43	8,354.65
1-2 Years	20,290.95	7,367.83	3,765.33
2-3 years	2,002.66	1,376.13	4,570.53
More than 3 years	602.27	2,329.61	74.14
Total	**27,795.42**	**33,321.52**	**22,116.16**
b) Unbilled			
Not due	1,566.24	2,187.32	2,589.30
c) Significant increase in credit risk	-	-	-
d) Credit Impaired	-	-	-
(ii) disputed Trade Receivables			
a) Considered good			
Not due	220.25	-	-
Less than 6 Months	698.05	1,440.21	2.95
6 Months - 1 Year	2,462.71	2.95	13.22
1-2 Years	1,443.17	13.22	159.41
2-3 years	13.22	159.41	3.61
More than 3 years	163.02	3.61	
b) Unbilled			
Not due	-	2,092.73	-
c) Significant increase in credit risk	-	-	-
d) Credit Impaired	-	-	-
	5,000.42	**3,712.13**	**179.20**
Total (i+ii)	34,362.08	39,220.97	24,884.66
Less: Loss allowance	(5,475.93)	(4,259.10)	(3,546.08)
Total receivable	**28,886.15**	**34,961.87**	**21,338.58**

6.1.The average credit period on sale of power ranges from 30 to 75 days. As per the Article 8.3.5 of Long-Term Power Purchase Agreement (PPA) with Tamil Nadu Generation and Distribution Corporation Limited ('TANGEDCO'), no interest is charged on trade receivables for the first 30 days. Thereafter late payment surcharge is payable at the rate equal to SBIPLR per annum upto the period 03.06.2022 and from the date 03.06.2022 as per the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 issued by Ministry of Power (MOP).

SBIPLR means the prime lending rate per annum as fixed from time to time by the State Bank of India. In the absence of such rate, SBIPLR means any other arrangement that substitutes such prime lending rate as mutually agreed to by the Parties. SBIPLR for the year was 12.30% p.a. upto 03.06.2022 (Previous year 12.15% to 12.30% p.a.) and
from the 03.06.2022 at the marginal cost of funds based on lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus 5.00% and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify and the rate of Late Payment Surcharge for the successive months of default shall increase by 0.5% for every month of delay provided that the Late Payment Surcharge shall not be more than 3.00% higher than the base rate at anytime, Provided that the rate, at which Late Payment Surcharge shall be payable, shall not be higher than the rate of Late Payment Surcharge specified in the agreement, if any. Rate of late payment surcharge from 03.06.2022 was in the range of 12.00% to 14.85%.

As per article 24.4 of Medium term PPA with PTC India Limited ('PTC'), in the event of delay beyond such period, late payment surcharge shall be payable at the rate equal to 5% above the bank rate. The interest rate for the current year was in the range of 9.25% to 9.65% p.a. (March 31, 2022 - 9.25% p.a).

The Group follows practical expedient by computing expected credit loss allowance on trade receivables based on customer specific provision. This provisioning takes into account historical credit loss forward looking information.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For charge created on receivables, refer note 15.

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6.2. Reconciliation of Provision/ Impairment for receivables

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening balance as at the beginning of the year	4,259.10	3,545.49	2,314.02
Created during the year	1,307.33	3,761.56	1,242.96
Reversed during the year	(90.50)	(3,047.95)	(10.90)
Closing balance as at the end of the year	5,475.93	4,259.10	3,546.08

Consequent to TANGEDCO confirming the LPSC dues payable as on March 31, 2022, the Group has reviewed the expected credit loss provision made towards the same in past years and consequently reversed the same during previous year

6.3.Credit concentration

As at March 31, 2023, out of total trade receivables (net of provisions), 69.68% (As at 31st March, 2022 - 80.55%) pertains to dues from State Distribution Company under Long Term Power Purchase Agreement ("PPA"), 22.53% (As at 31st March 2022 - 19.45%) from PTC India Limited and 7.72% (As at 31st March 2022 - Nil) from Short term PPA and others.

6.4.Expected Credit Loss (ECL)

Majority of the Group's receivables relates to power supply to State Electricity Distribution Company which is a Government undertaking.

Expected credit loss provision of Rs. 5,475.93 being the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

6.5.Customer balances which represents more than 5% of total balance of trade receivable (net of provisions)

Particulars	As at 31-03-203	As at March 31, 2022	As at April 01, 2021
TANGEDCO	69.68%	80.55%	78.40%
PTC INDIA LIMITED	22.53%	19.45%	21.60%

6.6 Undisputed amount:

For recovery of undisputed amount, the Group has been regularly following up for payment and also took up the matter with regulators including Ministry of Power, Government of India (GOI). TANGEDCO has communicated to the Group that it has accepted Late Payment Surcharge (LPSC) scheme notified by the Ministry of Power, GOI on June 03, 2022 towards settlement of long pending outstanding amounts in 48 instalments beginning from August 2022.
Accordingly the amount receivable is Rs. 17,293.56 as on 31.03.2023 and realisable annually Rs. 5,188.07 for the next three years and balance amount of Rs. 1,729.35 in the fourth year.
However, Group is making efforts for early recovery of payments and has taken up the matter with TANGEDCO/Ministry of Power.

Management is confident of its recovery of the dues in full and adequacy of provisions made towards expected credit loss

6.7 Disputed amount:

An amount of Rs. 5,523.10 relating to capacity charges billed to TANGEDCO and Rs. 2,093.00 claimed from PTC India Ltd., (PTC) as compensation for the period for which power supply was regulated for their non-payment of dues. In respect of the above claims, the Group has filed the petition with CERC and the hearing is under going. The Group has made appropriate ECL provision.

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Note 7 Other Financial Assets

Particulars	Non-current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
At Amortised Cost						
(a) Security Deposits	18.98	18.98	18.92	165.18	323.77	12.89
(b) Interest receivable	133.19	100.68	73.30	249.91	23.09	57.67
(c) Bank deposits due to mature after 12 months of the reporting date*	325.22	325.96	1,498.92	-	-	-
(d) Fixed Deposits under lien:						
with Statutory authorities*	119.17	119.17	125.52	-	-	-
(e) Rent receivable	-	-	-	5.48	5.48	5.42
(f) Balance with government authorities	-	-	-	45.58	25.27	26.63
	596.56	**564.79**	**1,716.66**	**466.15**	**377.61**	**102.61**

*The Group has placed fixed deposit of Rs. 339.13 (PY Rs. 339.13) as margin towards bank guarantee and Debt Service Reserve Account (DSRA)

Note 8 Other Assets

Particulars	Non-current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Prepaid expenses	26.79	-	6.20	94.52	105.53	51.65
(b) Employee advance*	-	-	-	0.00	1.70	-
(c) Advances to suppliers	-	-	-	111.84	133.48	139.19
(d) Gratuity Plan Assets	-	-	-	8.69	8.27	0.95
(e) Advance interest	-	-	-	326.64	326.64	326.64
(f) Other receivables	-	-	-	6.18	6.18	6.18
	26.79	**-**	**6.20**	**547.87**	**581.80**	**524.61**

*Amount less than 0.01

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Note 9 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Fuel			
Coal including goods in transit of Rs. nil (goods in transit as on March 31, 2022: Rs. nil)	3,586.21	1,045.52	1,450.34
Light diesel oil including goods in transit of Rs. nil (goods in transit as on March 31, 2022: Rs. nil)	30.30	23.75	21.31
Lime Stone including goods in transit of Rs. nil (goods in transit as on March 31, 2022: Rs. nil)	12.56	2.83	15.30
(b) Stores and spares including goods in transit of Rs. nil (goods in transit as on March 31, 2022: Rs. nil)	621.55	536.10	961.62
	4,250.62	**1,608.20**	**2,448.57**

a) Refer Note 15 for Inventories pledged as security for liabilities
b) There is no writedown of inventories

Note 10 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques, drafts on hand and does not include balances with banks in earmarked accounts (Refer note 11). Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Balances with banks			
(i) On Current account	1.41	1.81	170.12
(ii) Deposits with original maturity of less than 3 months	-	-	16,939.06
(b) Cash on hand	0.00	0.01	-
	1.41	**1.82**	**17,109.18**

10.1. Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

Particulars	As at 1st April, 2022	Net cash flows	Exchange (gain)/Loss	Others (non-cash flow changes)	As at 31st March, 2023
Current borrowings	82,244.76	-	-	30.24	82,275.00

Particulars	As at 1st April, 2021	Net cash flows	Exchange (gain)/Loss	Others (non-cash flow changes)	As at 31st March, 2022
Current borrowings	81,997.56	-	-	247.19	82,244.76

Note 11 Bank balances other than cash and cash equivalents#

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
a) Balances with banks in earmarked accounts			
- In escrow account with security agent of long term lenders	2,180.58	16,061.00	713.41
b) In deposit accounts (with original maturity period of more than 3 months but remaining maturity less of than 12 months)*	10,154.25	870.59	-
c) Deposits with original maturity of less than 3 months*	14,424.08	-	-
	26,758.91	**16,931.59**	**713.41**

#The Group has an escrow account with Punjab National Bank (Large Corporate Branch) escrow agent, on behalf of all the term loan lenders of the Consortium. As part of the agreement, the balances with the escrow account agent are part of the security structure in favour of lenders and hence its usage is restricted to payments as approved by the lenders.

*The Group has placed fixed deposit of Rs. 192.56 (PY Rs. 192.56) as margin towards bank guarantee and Debt Service Reserve Account DSRA).

Deposit with original maturity of less than 3 months will be credited to the Escrow account on maturity, hence, considered as bank balance other than cash and cash equivalents.

Note 12 Tax assets and liabilities

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Tax assets			
Advance tax (including tax deducted at source, and net of provision for taxes)	163.15	108.25	30.49
	163.15	**108.25**	**30.49**

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Note 13 Equity Share Capital

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
AUTHORISED EQUITY SHARE CAPITAL			
Equity Shares: 5,00,10,00,000 Equity Shares of ₹ 10 each (March 31, 2022 - 5,00,10,00,000 equity shares of 10 each)	50,010.00	50,010.00	50,010.00
ISSUED, SUBSCRIBED AND FULLY PAID UP CAPITAL			
20,02,07,764 Equity Shares of ₹ 10 each (March 31, 2022 - 20,02,07,764)	2,002.08	2,002.08	2,002.08
	2,002.08	**2,002.08**	**2,002.08**

13.1 Reconciliation of number of shares and amount outstanding

Reconciliation	2022-23		2021-22	
	No of Shares	In ₹	No of Shares	In ₹
Equity Shares of ₹ 10 each fully paid up				
At the beginning of the year	20,02,07,764	2,00,20,77,640	20,02,07,764	2,00,20,77,640
Allotment of shares during the year	-	-	-	-
At the end of the year	**20,02,07,764**	**2,00,20,77,640**	**20,02,07,764**	**2,00,20,77,640**

13.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Share holder	No of shares held as at					
	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	%	Nos.	%	Nos.	%
IL&FS Energy Development Company Ltd	16,07,97,509	80.31%	16,07,97,509	80.31%	16,07,97,509	80.31%
A.S.Coal Resources Pte Ltd, Singapore (refer note 50)	1,51,72,256	7.58%	1,51,72,256	7.58%	1,51,72,256	7.58%
Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)	2,42,37,999	12.11%	2,42,37,999	12.11%	2,42,37,999	12.11%

13.3 Shareholding of promoters & promoter group, ultimate holding company and holding company :

Name of the shareholder	As at March 31, 2023		
	No. of shares held	% of total shares	% of change during the year
IL&FS Energy Development Company Ltd	16,07,97,509	80.31%	Nil
Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)	2,42,37,999	12.11%	Nil

Name of the shareholder	As at March 31, 2022		
	No. of shares held	% of total shares	% of change during the year
IL&FS Energy Development Company Ltd	16,07,97,509	80.31%	Nil
Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)	2,42,37,999	12.11%	Nil

Name of the shareholder	As at Aprial 01, 2021		
	No. of shares held	% of total shares	% of change during the year
IL&FS Energy Development Company Ltd	16,07,97,509	80.31%	Nil
Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)	2,42,37,999	12.11%	Nil

13.4 Terms attached to Equity Shares:

The Company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity Share is entitled to one vote per share. The company declares dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.
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

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Note 14 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Securities Premium reserve	37,626.82	37,626.82	37,626.82
Debenture Redemption reserve	16.95	16.95	16.95
Retained Earnings	(19,972.44)	(24,163.58)	(34,334.29)
Foreign exchange translation reserve	(237.75)	(226.89)	(785.39)
Total	**17,433.58**	**13,253.30**	**2,524.09**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Securities Premium Account			
Opening balance	37,626.82	37,626.82	37,626.82
Add : Addition during the year	-	-	-
Less : Utilised during the year	-	-	-
Closing balance	**37,626.82**	**37,626.82**	**37,626.82**
(b) Debenture Redemption Reserve			
Opening balance	16.95	16.95	16.95
Add: Addition during the year	-	-	-
Less: Utilised during the year	-	-	-
Closing balance	**16.95**	**16.95**	**16.95**
(c) Retained Earnings			
Opening Balance	(24,163.58)	(34,334.29)	(38,240.35)
Add: Profit for the year	4,191.66	10,725.05	3,934.59
Add: Remeasurement (loss) /gain of defined benefit plans, net of tax	(0.52)	2.84	3.03
Less: Restatement impact refer note 35	-	(557.18)	(31.56)
Closing balance	**(19,972.44)**	**(24,163.58)**	**(34,334.29)**
(d) Foreign Currency Translation Reserve			
Opening balance	(226.89)	(785.39)	(743.09)
Add: Effect of foreign exchange rate variations during the year	(10.86)	1.36	(42.30)
Less: Restatement impact refer note 35	-	557.14	-
Closing balance	**(237.75)**	**(226.89)**	**(785.39)**
Total Other equity	**17,433.58**	**13,253.30**	**2,524.09**

Nature and purpose of reserves:

Securities Premium Reserve:
Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve:
The company is required to create a Debenture Redemption Reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Retained Earnings:
Retained Earnings are the accumulation of retained earnings of the Group till date net of appropriations.

Foreign currency translation reserves:
This comprises of exchange differences arising from translation of financial statements/financial information of foreign operations.

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Note 15 Borrowings

Particulars	Non-Current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Current maturities (Refer note 15.11)						
Loans repayable on demand						
Secured - At amortised cost						
(i) Debentures (Refer Note 15.1, 15.6, 15.7 and 15.9)	-	-	-	5,206.12	5,206.12	5,206.12
(ii) Term Loans (Refer Note 15.2 and 15.10) (For interest accrued refer note 15.6 and 15.9)						
- From Banks	-	-	-	49,023.49	49,018.66	49,013.58
-From Financial Institutions	-	-	-	6,600.02	6,600.02	6,600.02
(iii) Working capital loans (Refer Note 15.2 and 15.10) (For interest accrued refer note 15.6 and 15.9) - From Banks (refer note 15.5)	-	-	-	8,519.83	8,519.83	8,519.83
Unsecured - at amortised cost						
(i) Debentures from related party (refer note 15.6 and 15.8)	-	-	-	4,743.87	4,743.87	4,743.87
(ii) Term loan from related party (Refer Note 15.3 and 15.4) (For interest accrued refer note 15.6, 15.8 and 15.9)	-	-	-	8,181.67	8,156.26	7,914.14
Total	-	-	-	**82,275.00**	**82,244.76**	**81,997.56**

Note:
Refer Note 35 for disclosure of changes in accounting policy and prior period errors

15.1.Non convertible debentures

Consequent to the approval of Board of Directors of the Company at their meeting held on November 28, 2016, the Company raised funds by way of private placement of 5,000 Secured, unlisted, redeemable non convertible debentures having face value of Rs. 10,00,000 aggregating Rs. 5,000. Birla Sunlife Trustee Company Private Limited subscribed for these debentures. The NCD was raised based on the undertaking given by IL&FS Energy Development Company Limited. Non Convertible Debentures carries a rate of interest of 9.80% p.a. These NCD's repayable in two instalments of Rs. 2,500 each on March 16, 2020 and March 14, 2021 respectively.

15.2.Rupee Term Loan:

Loans repayable on demand from banks represents principal outstanding together with interest, additional interest, default interest, upfront fees, costs, charges, expenses are secured in favour of the lenders/security trustees by way of first pari-passu charge without any lender having priority/preference over the other lender and include the following:

(a) A first charge over all the immovable properties of the Company including leasehold rights if any both the present & future.

(b) A first charge by way of hypothecation on all moveable assets including but not limited to plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets both present and future.

(c) A first charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising.

(d) A first charge over all Accounts, including without limitation, the Debt Service Reserve Account, the Escrow Accounts, letter of credits, and other reserves and such other Bank Accounts that may be opened in terms of hereof or project documents and over all the funds from time to time deposited therein and over all Authorised Investments or other securities representing all amounts credited thereto.

(e) First Charge by way of mortgage/hypothecation/assignment or otherwise creation of Security interest within 6 months from the date of initial disbursement (a) all right, title benefit, claims and whatsoever of the Company on the Project Documents (b) all rights, title and interest of the Company under all Government Approvals (c) all rights, title, benefit, claims and demand whatsoever of the Company in any Letter of Credit, guarantee and liquidated damages and performance bond provided by any party to the Project Documents (d) all rights, title and interest of the Company in, to and under all Insurance Contracts / Insurance Proceeds.

(f) Non disposal undertaking from the promoter viz. IL&FS Energy Development Company Limited to hold at least 51% of the Paid up capital of the Company.

(g) Pledge of 100% shares of IL&FS Maritime Offshore Pte limited and IL&FS offshore Natural Resources Pte limited held by the company.

(h) There is no loan which is guaranteed by directors or others.

Rate of interest:

As on March 31, 2023, the term loan facility carries a rate of interest calculated at 5 year MCLR(8.45%) of Punjab national bank + 1.95% i.e. 10.40% p.a. The rate of interest shall remain floating throughout the tenor of the loan.

Terms of repayment

Repayable on quarterly instalments till 30.06.2037.

Breach of Loan agreement

Payments towards interest and principal have not been met since October 2018 based on order passed by Honourable NCLAT. Also refer Note 46 and Note 1.2.

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15.3.Term Loan from related party

Consequent to the approval of the Board of Directors of the Company at their meeting held on March 23, 2017, the company had availed an unsecured term loan of ₹ 3,270 from M/s. IL&FS Energy Development Company Limited carrying a rate of 15.50% per annum. 30% of loan amount repayable at the end of 4 the year as first instalment, 30% of loan amount repayable at the end of 5 the year as second instalment and the balance of 40% of loan amount repayable at the end of 6th year as third and final instalment. During the financial year 2018-19 the Company has adjusted the deposit placed with IEDCL along with accrued interest of ₹352.28 towards repayment of loan.

Consequent to the approval of the Board of Directors of the Company at their meeting held on March 29, 2017, the company had availed an unsecured term loan of ₹1,650 from M/s. IL&FS Energy Development Company Limited carrying a rate of 15.50% per annum repayable within two years from the date of disbursement.

Consequent to the approval of the Board of Directors of the Company at their meeting held on March 29, 2017, the company had availed an unsecured term loan of ₹ 330 and ₹ 720 respectively from M/s. IL&FS Energy Development Company Limited carrying a rate of 16% per annum compounded quarterly repayable within two years from the date of disbursement.

The Company has accrued interest on loans from related parties only till 15.10.2018 based on advisory issued by IL&FS Group. The Company has netted off the margin money deposit and interest accrued on such margin money deposit with term loan balance as at March 31, 2019. The same is carried forward in the previous and current financial year. Also refer Note 47 (b) and Note 1.2.

15.4.The Company has availed the following unsecured short term loans from its holding company IL&FS Energy Development Company Limited. Outstanding balance as on March 31, 2023 and March 31, 2022 is given below.

Rate of interest	Facility Amount	Date of Loan taken	Balance as at 31st Mar 2023	Balance as at 31st Mar 2022	Balance as at 1st Apr 2021
16% p.a. compounding quarterly	123.6	11-Sep-17	24.54	24.54	24.54
16% p.a. compounding quarterly	123.6	12-Mar-18	120.82	120.82	120.82
NIL	314.05	19-Jan-18	314.05	314.05	314.05
NIL	290.00	28-Mar-18	290.00	290.00	290.00

The above loans are overdue since March 2019. No extensions were granted to the Company. The Company has accrued interest on loans from related parties only till 15.10.2018 based on confirmation received from Group. Also refer Note 15.8 and Note 1.2.

15.5.Loans repayable on demand from banks represents cash credit facilities availed by the Company. The principal moneys due from time to time and all interest thereon calculated from day to day at the rate hereinafter mentioned, additional interest, interest tax at the rate as in force, and the amount of all charges, commission and expenses etc. are secured by way of first pari-passu charge on:-

i. The present and future stocks of raw materials including in transit, work in process, stores and spares (hereinafter referred to as the Goods), which belong to it and which now or hereinafter from time to time during the continuance of this agreement shall be brought in, stored or be in or about its premises or godowns at Cuddalore or any other godowns or be in the course of transit from one godown to another or wherever else the same may be and

ii. the present and future book debts, operating cash flows, outstanding decrees, money receivables, claims, securities, Government subsidies, investments, rights and other moveable assets excluding bills purchased/discounted by Bank and bills against which advances have been made (all of which are hereinafter referred to as 'Book Debts') which belong to the Borrower and which now or hereinafter from time to time during the continuance of this Agreement may belong to it (the said 'Goods' and 'Book Debts' are hereinafter referred to as 'hypothecated assets'/'the Securities' apart from other Securities as more fully described in the Schedule hereto), as security for payment of the balance due to the Bank by the Borrower at any time or ultimately found due on the Bank by them at any time or ultimately found due on the closing of the said Accounts and for payment of all debts and liabilities mentioned hereafter.

None of the short term borrowings are guaranteed by Directors.

15.6 Details of default as on the balance sheet date

As at March 2023

Particulars	Period	Repayment of borrowings	Repayment of Interest	Total
Secured debentures*	From Oct 2018 to March 31, 2023	5,000.00	2,893.62	7,893.62
Secured term loans				
- from banks		9,769.12	32,531.78	42,300.89
- from financial institutions		1,316.90	3,824.64	5,141.54
Unsecured debentures			6,771.47	6,771.47
Unsecured term loans from related parties			5,431.39	5,431.39
Total		**16,086.02**	**51,452.90**	**67,538.92**

As at March 2022

Particulars	Period	Repayment of borrowings	Repayment of Interest	Total
Secured debentures*	From Oct 2018 to March 31, 2022	5,000.00	2,210.67	7,210.67
Secured term loans				
- from banks		5,802.71	23,808.39	29,611.10
- from financial institutions		782.22	2,799.06	3,581.28
Unsecured debentures			5,503.45	5,503.45
Unsecured term loans from related parties			4,522.25	4,522.25
Total		**11,584.93**	**38,843.82**	**50,428.75**

* Includes debenture premium on redemption of Rs. 241.82 (March 31, 2022 - Rs.241.82)

15.7 Charge on secured debentures

Debenture holder have subordinate charge by way of hypothecation of fixed assets of the Company and Corporate guarantees of promoter company. However, the CHG-1 has not been filed for the same. (refer note 32)

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15.8 Debentures and loans from related parties

As at March 31, 2023, the Company had borrowings from IEDCL, its holding company, represented by debentures and term loans, in respect of which interest expenses was recognised till October 15, 2018. Further to the matters stated in 1.2, no interest has been recognised from October 16, 2018 on such borrowings which aggregates to Rs. 6,771.47 as at March 31, 2023 (March 31, 2022 - Rs. 5,503.45) and Rs. 5,431.39 as at March 31, 2023 (March 31, 2022 - Rs. 4,522.25) respectively.

Fully Compulsorily Convertible debentures(FCCD) issued to IL&FS Energy Development Company Limited outstanding as on March 31, 2015 were in the nature of equity as it carried an NIL interest rate and were convertible into fixed number of shares. Terms of issue of these debentures were changed subsequently in the year 2016-17 to carry an coupon rate of 16% per annum with retrospective effect since the date of issue and would be convertible at fair market value of shares on maturity date at a conversion price in the range of Rs. 100 to Rs. 400 for each equity share of face value of Rs. 10 fully paid.

15.9 Interest on finance cost

As a result of the various matters stated in Note 1.2 to these financial statements, in respect of the previous financial year, management has determined at the time that no interest will be payable by the Company, on loans from banks, debentures other than in Note 15.8 above (for the period after October 15, 2018), and cash credit accounts (for the period after October 31, 2018). Accordingly, the Company has not recognised finance costs aggregating to Rs. 39,250.04 approximately as at March 31, 2023 (March 31, 2022 - Rs. 28,818.12)

15.10 Reconciliation of borrowings

As at March 31, 2023, the Company's books of account reflect a balance of Rs. 81,466.79 (March 31, 2022-Rs. 81,466.79) payable to the consortium of banks (with whom the Company's has borrowing arrangements), without making any adjustments that may be required to give effect to the proposed restructuring of debt and other outstanding amounts to banks to these financial statements. Against this, the statements / other information provided by those banks indicate outstanding balances by the Company aggregating Rs. 1,11,944.89 (March 31, 2022 - Rs. 1,00,639.19). Management believes that the net difference of Rs. 30,478.10 (March 31, 2022 - Rs. 19,172.40) may be on account of interest costs not accounted for by the Company after October 15, 2018 and/or incorrect/ additional/ penal interest charged by the banks. Accordingly, the Company has not accounted for the above difference in these financial statements.

15.11 Classification of borrowings

Pursuant to the matter described in Note 1.2 above, the Company had not recognised the interest payable on loans from banks and financial institutions, from October 16, 2018 to March 31, 2023, and had not paid such interest and related principal, till March 31, 2023. Under the terms of the loan agreements with lenders, such non-payment constituted an event of default pursuant to which the entire loan liability would have become due and payable on a current basis, as at March 31, 2019 and thereafter. As a result, borrowings as at March 31, 2023, March 31, 2022 and March 31, 2021 have been classified as current maturities considering default provisions as above though the Company is under the moratorium as per the NCLAT.

15.12 Loan restructuring

Management has received approval from bankers/financial institutions to restructure the payables towards principal and interest in respect of the Group's borrowings from those banks/financial institutions. This approval of restructuring is subject to the approval of The Hon'ble NCLAT. Application for such approval was made on January 08, 2021. Hon'ble NCLAT had heard the matter and passed the orders as under;

1. By its order dated 1.12.2021 , Hon'ble NCLAT approved the prayers related to restructuring of debts towards financial creditors

2. By its order dated 04.07.2022, the Hon'ble NCLAT refused grant of prayers related to restructuring of dues towards operational and capex creditors. Hon'ble NCLAT asked the company to make supplementary resolution plan and its subsequent approval from IL&FS Board and adjudicating authority.

Keeping the above in view, ITPCL had started the process of finalising supplementary resolution scheme dealing with claims of operational & capex creditors. Company is also engaged with lenders for revalidation of their earlier sanction and early implementation of debt restructuring plan as approved by them.

As the matter is still in progress, no adjustments have been made in the financial statements.

15.13 Forensic audit conducted by lenders

Lenders have also initiated a forensic audit for the period prior to September 2018 and appointed an external agency to perform forensic audit and report to lenders. Lenders have informed that consequent to receipt of auditor's report they have classified the Company's account as fraud category basis RBI guidelines and this action has no bearing on debt restructuring.

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Note 16 Trade Payables

Particulars	Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Total Outstanding dues of micro enterprises and small enterprises (refer note 16.2)	23.81	19.83	7.50
Total Outstanding dues of creditors other than micro enterprises and small enterprises (refer note 27 and note 35)	4,809.93	4,008.81	4,571.97
	4,833.74	4,028.64	4,579.47

There are no overdue amounts payable to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Further, the Group has not paid any interest to any Micro and Small Enterprises during the current and previous year.

16.1 Ageing schedule
Outstanding for following periods from due date of payment

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(i) Undisputed dues			
a) MSME	18.06	19.83	7.50
b) Others			
Not due	3.01	-	-
Less than 1 year	960.19	489.42	924.50
1-2 Years	179.24	116.24	606.70
2-3 years	209.10	1,095.02	1,190.67
More than 3 years	3,406.72	2,251.26	1,717.01
Total	4,776.32	3,971.77	4,446.38
(ii) Disputed dues			
a) MSME	-	-	-
b) Others	-	-	-
Total	-	-	-
(iii) Unbilled dues			
a) MSME	5.75	-	-
b) Others			
Not due	51.67	56.87	133.09
Less than 1 year	-	-	-
Total	57.42	56.87	133.09
Total (i+ii+iii)	**4,833.74**	**4,028.64**	**4,579.47**

Note:
Where due date of payment is not available date of transaction has been considered

16.2 Disclosure required under Section 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	23.81	19.83	7.50
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specific ed under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year and	-	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006..	-	-	-
Total	23.81	19.83	7.50

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Note 17 Other financial liabilities

Particulars	Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
At Amortised Cost			
(a) Payable for fixed asset (refer note 27 and note 35)	5,432.63	5,432.63	5,432.63
(b) Retention money payable (refer note 27 and note 35)	2,288.26	2,287.84	2,287.60
(c) Others			
- Security deposits payable	4.09	1.99	0.26
- Employee benefits payable	0.79	0.70	1.61
- Others	-	-	165.00
	7,725.77	**7,723.16**	**7,887.10**

Note 18 Other liabilities

Particulars	Non-current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
a. Statutory remittances (Contributions to PF and NPS, Withholding taxes, GST etc.)	-	-	-	10.44	7.84	4.45
b. Advances from Customers	3.58	3.47	-	5.63	5.98	14.25
c. Deferred Government Grant (Refer note below)	7,991.70	8,240.04	8,488.45	248.36	248.39	248.36
	7,995.28	**8,243.51**	**8,488.45**	**264.43**	**262.21**	**267.06**

18.1. Movement in Government Grant (refer note 48)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balance at the beginning of the year	8,488.42	8,736.81	8,986.05
Received during the year	-	-	-
Released to the Statement of Profit and Loss	(248.36)	(248.39)	(249.24)
Balance at the end of the year	**8,240.06**	**8,488.42**	**8,736.81**
Current	248.36	248.39	248.36
Non Current	7,991.70	8,240.04	8,488.45

Note 19 Provisions

Particulars	Non-current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Provision for employee benefits - compensated absences and leave travel allowance	0.47	0.47	12.76	8.33	15.25	2.96
	0.47	**0.47**	**12.76**	**8.33**	**15.25**	**2.96**

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NOTE 20 Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Revenue from operations		
Sale of power	20,963.74	19,330.04
Change in Law Claims	822.50	3,514.80
	21,786.24	**22,844.84**
(b) Other operating revenues		
- sale of by-product	28.90	42.79
- interest on overdue receivables	1,389.37	3,280.51
- Deferred income	248.36	248.39
	23,452.87	**26,416.53**

Timing of Revenue Recognition:

Particulars	As at March 31, 2023	As at March 31, 2022
Goods and services transferred at a point of time	23,204.51	26,168.14
Goods and services transferred over a period of time	248.36	248.39

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

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables	28,886.15	34,961.87
Contract Liabilities (advance from customers)	9.21	9.45

Set out below is the amount of revenue recognised from:

Particulars	As at March 31, 2023	As at March 31, 2022
Amount included in contract liabilities at the beginning of the year	9.45	14.25
Performance obligations satisfied in previous years	9.26	14.06

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue as per contracted price	20,992.64	19,372.83
Adjustments		
Discount allowed	-	-
Revenue from contract with customers	**20,992.64**	**19,372.83**

Break up of revenue from operations:

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from operations		
In India	23,452.87	26,416.53
Outside India	-	-

Note 21 Other Income

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
(a) Interest income earned on financial assets that are not designated as at fair value through profit or loss				
On Deposits	1,110.99		529.23	
On Income Tax Refund	4.57		-	
		1,115.56		529.23
(b) Other non-operating income		2.33		81.74
		1,117.89		**610.97**

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Note 22 Cost of materials consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Coal and limestone	15,103.84	12,245.48
(b) Oil	92.69	42.78
(c) Stores, spares and consumables	211.60	212.25
Total	**15,408.13**	**12,500.51**

Note 23 Other direct expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Operation & Maintenance	465.96	460.97
(b) Railway freight & detention charges	4.46	7.06
(c) SRLDC Charges	398.55	182.86
(d) Others	18.63	13.70
Total	**887.60**	**664.59**

Note 24 Employee Benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Salaries, Wages and Bonus	222.81	208.70
(b) Contribution to Provident and Other Funds	15.67	14.40
(c) Staff Welfare expenses	3.93	2.12
Total	**242.41**	**225.22**

Note 25 Finance Costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) Interest costs (refer note 15)		
(a) Debentures	-	-
(b) Loans	-	-
(c) On long term financial liabilities	-	-
(d) On derecognition of financial liabilities measured at amortised Cost	-	-
(ii) Other borrowing costs*	133.20	238.14
	133.20	**238.14**

*Other borrowing costs includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.

Note 26 Depreciation, amortisation and provision for impairment

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation/amortisation on		
a. Property, plant and equipment	1,983.81	1,971.92
b. Intangible assets	0.10	0.08
c. Provision for impairment (net)	-	(462.56)
	1,983.91	**1,509.44**

Note 27 Other expenses

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
Power and Fuel		1.52		1.24
Rent		16.13		15.69
Repairs and Maintenance				
- Buildings	25.81		23.19	
- Others	130.02	155.83	82.16	105.35
Insurance		124.74		117.68
Rates and Taxes		1.13		2.75
Communication Expenses		0.22		0.24
Travelling and Conveyance		16.00		15.70
Printing and Stationery		0.86		0.33
Auditors' Remuneration		4.74		3.90
Legal and Professional Expenses		52.74		66.20
Directors Sitting Fees		0.66		0.27
Green belt and Environmental Expenses		11.08		13.52
Security Expenses		82.37		80.23
Expected credit loss provision (ECL) (net)		1,216.83		713.61
Net loss on foreign currency transaction and translation (net)*		1.55		1.68
Corporate Social responsibility expenditure		28.06		24.72
Miscellaneous Expenses		9.67		1.82
		1,724.13		**1,164.93**

Note:
The Company is under NCLAT Resolution and the process prescribed under the Insolvency and Bankruptcy code would be applicable to Company. The outstanding liabilities as on 15th October 2018 including foreign currency liabilities are converted in to INR at the exchange rate of 15th Oct'2018. On Resolution, the crystalised foreign liabilites will be paid in foreign currency equvilant to the INR. Hence, the foreign liabilities are not restated on the balance sheet date.

However, the Company restated the foreign currency liability till March, 2022 at the prevailing closing rate as on the reporting date as per the IND AS 21. During the current year based on the legal opinion obtained, the Company has frozen its foreign currency liability as at 15th Oct 2018 which has resulted in reversal of foreign exchange loss amounting to Rs. 121.92, the effect of the same has been given in the respective previous years. (also refer note 35)

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28.1. Income taxes

A. Amount recognised in statement of profit and loss	Year ended March 31, 2023	Year ended March 31, 2022
Current tax (a)		
Current period	1,054.97	2,699.40
Deferred tax (b)		
Attributable to - Origination and reversal of temporary differences	(1,054.97)	(2,699.40)
Total income tax expense recognised in the current year relating to continuing operations	-	-

B. Reconciliation of effective tax rate	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax as per Statement of Profit and loss	4,191.38	10,724.67
Income tax using the company's domestic tax rate @ 25.17%	1,054.97	2,699.40
Effect of:		
- Provision for loss allowance	306.28	179.62
- Disallowance of impairment of financial assets, PPE & CWIP and CSR	7.06	(110.20)
- Others	0.76	5.05
- Difference in depreciation in books vs income tax depreciation	(693.97)	(996.19)
- Brought forward losses and unabsorbed depreciation on which DTA was not created	(614.76)	(1,676.43)
- Income exempt from tax	(60.34)	(101.24)
Income tax recognised in Statement of Profit and Loss	**0.00**	**(0.00)**

During the ended March 31, 2020, the Company evaluated the option given under the New Tax Ordinance and found that it would be beneficial to opt for the new tax regime. The company has adopted new tax regime under section 115 BAA of the Income Tax Act,1961 from the FY 2019-20 onwards.

Note 28.2. Recognised deferred tax assets and liabilities

Particulars	Deferred tax assets		Deferred tax liabilities		Net deferred tax (assets) / liabilities	
	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
Property, plant and equipment	-	-	7,972.25	7,239.40	7,972.25	7,239.40
Provision for employee benefits	(0.20)	(0.18)	-	-	(0.20)	(0.18)
Loss allowance on trade receivables	(1,378.29)	(586.95)	-	-	(1,378.29)	(586.95)
Unabsorbed depreciation	(6,593.76)	(6,652.27)	-	-	(6,593.76)	(6,652.27)

The Group has recognised deferred tax asset on unabsorbed depreciation/carry forward losses to the extent of the deferred tax liability. No deferred tax asset has been recognised on the above unutilised tax losses and unabsorbed depreciation for the matters as disclosed in Note 1.2.

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29. Details of CSR Expenditure

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) Gross amount required to be spent during the year	71.70	0.50
(ii) Amount spent during the year on:		
(a) Construction/acquisition of any asset	12.40	14.65
(b) On purposes other than (i) above	15.66	10.07
(iii) amount of shortfall at the end of the year out of the amount required to be spent	-	-
(iv) total of previous years' shortfall	-	-
(v) reason for shortfall	-	-
(vi) details of related party transactions	-	-
(vii) where a provision is made with respect to a liability incurred by entering into a contractual obligation	-	-

Note

In terms of Section 135(1) of the Act, the CSR provisions applicable to every company having a net worth of Rs.500 crore or more, or turnover of Rs.1,000 crore or more, or a net profit of Rs.5 crore or more during the immediately preceding financial year. For the purposes of Section 135, net profit of a company is to be calculated in accordance with the provisions of Section 198 of the Act and as per its financial statements prepared in accordance with the Act.

Company is under the Resolution framework of National Company Law Appellate Tribunal (NCLAT) since 15th October 2018. Under the NCLAT order the Company is having moratorium and has not being accruing interest in its books on all liabilities outstanding as of October 15, 2018. Meanwhile the Company has initiated Debt Resolution Process under the purview of NCLAT. The Debt Resolution is in the form of Debt Restructuring, however the company could not able to implement the Debt Restructuring due to the objections filled with NCLAT by the Operational/Capex creditors of the company. NCLAT has directed the company to appropriately consider the claims of the Operational/Capex creditors in a fair & reasonable manner and to submit a supplementary Resolution Plan. Since the Debt Resolution has not been finalised, the company has not accrued the interest cost on servicing the Debts owed by the company in the annual financial statements. Hence the Profit estimate under the provision of Section 198 of the Companies Act is not feasible.

As per the NCLAT order dated 11th February 2019, the Company has been classified as "Amber Entity" and permitted to make necessary operational payments only to maintain and preserve it as "Going Concern".

In these circumstances, the payment towards CSR obligations from the (notional) net profits of the Company, when the Company is not servicing any of its creditors and conserving cash for the benefit of its creditors for ultimate resolution, would render the whole resolution process futile and would not meet the spirit of CSR provisions.

Based on the above facts as well as the current situation the Company has submitted application with MCA to provide an exemption from the provision of Section 135(1) of the Companies Act requirement of spending 2% of its average net profits from the date of Moratorium till the time Debt Restructuring is implemented by the company.

However, Company's sense of responsibility towards the community and maintain environment balance in which it operates, has been fulfilled through undertaking certain minimum Community Development activity for the social good of the community in the vicinity of the business it operates.

Note 30. Auditor's remuneration

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As Auditor:		
Audit Fee	4.15	3.30
Tax audit Fee	-	-
In other capacity		
Fee for certificates and other services	0.26	0.56
Out of pocket expenses	0.33	0.04
	4.74	3.90
Remuneration includes applicable taxes		

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Note 31.Operating lease arrangements

(a) Group as Lessee

The Group has taken office premises on operating lease.

(b) Payments recognised as expense in the statement of profit and loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental expenses	16.13	15.69

Note 32.Other statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group has not traded or invested in Crypto currency or virtual currency during the financial year.

(iii) No Bank or financial institution or other lender has declared the Corporation as willful defaulter

(iv) The Group has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

1) 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
2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(v) The Group has not received any fund from any persons or entities, 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 on behalf of the Ultimate Beneficiaries.

(vi)Compliance with number of layers of companies as per Clause 87 of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable

(vii) There are no pending applications with any authority for a scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013

(viii) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(ix) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period except the following:

Charge holder Name	Registrar location	As at March 31, 2023	As at March 31, 2022
Aditya Birla Sunlife AMC limited	Registrar of Company, Chennai	5,000.00	5,000.00

(x) The Group has no any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956

Note 33.1 Contingent Liabilities

In the ordinary course of business, the Group faces claims and assertions by various parties. As stated in Note 43 the Group has also received claims from the creditors through the claims management process discussed in that note. The Group assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group believes that none of the contingencies described below would have a material adverse effect on the Group's financial condition, results of operations or cash flows.

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Bank Guarantee provided to customs department in relation to grant (refer note 48)	4,302.30	4,302.30
(b) Other Bank Guarantees	1,453.80	1,385.00
(c) Disputed Stranded Capacity as per the order of CERC under appeal before Appellate Tribunal for Electricity, New Delhi.	44.70	44.70
(d) Claims against the Group not acknowledged as debt		
(i) Creditors claim (refer note 43)	6,655.59	6,655.59
(i) Default in interest payment (refer note 15.6)	51,452.90	38,843.82
(e) Customer claim (PTC claim)	6,721.79	6,721.79
(f) Income-tax - under appeal	260.29	234.40

There are numerous interpretative issues relating to the Hon'ble Supreme Court judgement on Provident Fund dated February 28, 2019. As a matter of caution, the Group has made a provision on a prospective basis from the date of the Hon'ble Supreme Court order. The Group will update its provision, on receiving further clarity on the subject.

Note 33. 2 Commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of capital commitments remaining to be executed net of advances	935.74	935.74

Note 34. Segment Information

The primary reporting of the Group has been made on the basis of business segment. The Group has only one business segment as defined in Ind AS 108, which is the generation & supply of electricity. Accordingly, the amounts appearing in these financial statements relate to this primary business segment.

Since, all the segment assets are in India, other businesses do not meet the quantitative thresholds and there are no separate geographical segment details required to be disclosed.

We do not identify or allocate assets by operating segment, nor does the chief operating decision maker evaluate operating segments using discrete asset information. We have no material intersegment revenue. The accounting policies of the segments are consistent with those described in summary of significant accounting policies and practices.

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Note 35 Disclosure on account of changes in accounting policy and prior period errors under Ind AS - 8

Changes in accounting policy:

The Group is under NCLAT resolution and the process prescribed under the Insolvency and Bankruptcy code would be applicable to us. The outstanding liabilities as on 15th October 2018 including foreign currency liabilities are converted into INR at the exchange rate of 15th October 2018. On Resolution, the crystalised foreign liabilities will be paid in foreign currency equivalent to the INR. Hence, the foreign liabilities are not restated on the balance sheet date, which is not in accordance with Ind AS – 21 The Effect of Changes in Foreign Exchange Rates.

However, the Group restated the foreign currency liabilities till March 2022 at the prevailing closing rate as on the reporting date. During the current year based on the legal opinion obtained, the Group has frozen its foreign currency liabilities as at 15th October 2018 which has resulted in reversal of foreign exchange loss amounting to Rs. 121.92, the effect of the same has been given in the respective previous years.

Prior period errors:

The Group had not recognised the interest payable on loans from banks and financial institutions, from October 16, 2018 to March 31, 2023, and had not paid such interest and related principal, till March 31, 2023. Under the terms of the loan agreements with lenders, such non-payment constituted an event of default pursuant to which the entire loan liability would have become due and payable on a current basis, as at March 31, 2019 and thereafter. As a result the borrowings as at March 31, 2023, March 31, 2022, March 31, 2021 have been classified as current maturities considering default provisions as above though the group is under moratorium as per the NCLAT.

In accordance with Ind AS – 8, for the year ended 31st March 2022, in Consolidated Financial Statements, certain related parties loans and receivables has been inadvertently eliminated and the same has been rectified.

Particulars	As at March 31, 2022 Previously reported	Adjustment	As at March 31, 2022 Restated	As at March 31, 2021 Previously reported	Adjustment	As at March 31, 2021 Restated
Change in accounting policy - IND AS 21						
(a) Trade payables	4,045.57	(16.93)	4,028.64	4,349.52	5.06	4,354.58
(b) Payable for fixed asset	5,488.97	(56.34)	5,432.63	5,418.05	14.58	5,432.63
(c) Retention money payable	2,333.89	(46.05)	2,287.84	2,275.68	11.92	2,287.60
Prior period errors						
(a) Borrowings - A.S Coal (including interest)	-	243.79	243.79	-	-	-
(b) Borrowings - IL&FS Transportation Networks Limited (ITNL)	-	232.79	232.79	-	-	-
(c) Trade receivables	18,470.16	1.38	18,471.54	-	-	-
(d) Others (advance from customers and tax assets)	108.27	3.37	111.64	-	-	-
	30,446.86	**362.01**	**30,808.87**	**12,043.25**	**31.56**	**12,074.81**
Other Equity	**13,615.31**	**(362.01)**	**13,253.30**	**2,555.65**	**(31.56)**	**2,524.09**
Total equities and Liabilities	**44,062.17**	**0.00**	**44,062.17**	**14,598.90**	**(0.00)**	**14,598.90**

Particulars	Year ended March 31, 2022 Previously reported	Adjustment	Year ended March 31, 2022 Restated	Year ended March 31, 2021 Previously reported	Adjustment	Year ended March 31, 2021 Restated
Other Expenses - Change in accounting policy - IND AS 21	1,318.72	153.79	1,164.93	-	-	-
Earnings per equity share						
(a) Basic - Rs.	₹ 52.80	₹ 0.77	₹ 53.57	₹ 0.00	₹ 0.00	₹ 0.00
(b) Diluted - Rs.	₹ 40.34	₹ 0.59	₹ 40.93	₹ 0.00	₹ 0.00	₹ 0.00

Particulars	Year ended March 31, 2022 Previously reported	Adjustment	Year ended March 31, 2022 Restated	Year ended March 31, 2021 Previously reported	Adjustment	Year ended March 31, 2021 Restated
Prior period errors - Reclassification of Non- current borrowings/provisions to Current borrowings/provisions & other changes						
Current borrowings	30,043.52	52,201.24	82,244.76	24,787.84	(57,209.72)	81,997.56
Non - Current Borrowings	50,284.03	(50,284.03)	-	55,685.28	55,685.28	-
Other financial liability - Interest accrued and due on borrowings	1,440.63	(1,440.63)	-	1,524.44	1,524.44	-
Long term Provisions	12.76	(12.29)	0.47	-	-	-
Short term Provisions	2.96	12.29	15.25	-	-	-
Trade payables	4,045.57	(16.93)	4,028.64	-	-	-
Payable for fixed asset	5,488.97	(56.34)	5,432.63	-	-	-
Retention money payable	2,333.89	(46.05)	2,287.84	-	-	-
Trade receivables	18,470.16	1.38	18,471.54	-	-	-
Others (advance from customers and tax assets)	108.27	3.37	111.64	-	-	-
Retained earnings	(23,073.50)	(1,090.08)	(24,163.58)	-	-	-
Foreign currency translation reserve	(954.96)	728.07	(226.89)	-	-	-
	88,202.30	**(0.00)**	**88,202.30**	**81,997.56**	**(0.00)**	**81,997.56**

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36. Ratios as per the schedule III requirements:

a) Current ratio = Current assets divided by Current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current assets	45,577.67	37,972.56
Current liabilities	95,107.27	94,274.02
Ratio	0.48	0.40
% change from previous year	18.98	

Reason for change more than 25% : Not applicable

b) Debt-Equity Ratio = Total debt divided by total equity where total debt represents aggregate of current and non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Total debt	82,275.00	82,244.76
Total equity	19,403.62	15,224.57
Ratio	4.24	5.40
% change from previous year	21.51	

Reason for change more than 25% : Not applicable

c) Return on Equity ratio / Return on investment ratio = Profit after tax divided by average total equity

Particulars	As at March 31, 2023	As at March 31, 2022
Profit after tax	4,191.38	10,724.67
Average total equity*	17,314.09	9,860.99
Ratio	0.24	1.09
% change from previous year	(77.74)	

Reason for change more than 25% :
The decrease is due to lower turnover and higher provision of ECL compared to previous year

*Average shareholders equity = (Total equity as at beginning of respective year + total equity as at end of respective year) divided by 2

d) Inventory turnover ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2023	As at March 31, 2022
Cost of goods sold*	16,295.73	13,165.10
Average inventory**	2,929.41	2,028.39
Ratio	5.56	6.49
% change from previous year	(14.29)	

Reason for change more than 25% : Not applicable
*Cost of goods sold includes cost of materials consumed and other direct expenses
**Average inventory = (Total inventory as at beginning of respective year + total inventory as at end of respective year) divided by 2

e) Trade receivables turnover ratio = Sales divided by average trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Turnover*	23,204.51	26,168.14
Average trade receivables**	31,924.01	28,150.22
Ratio	0.73	0.91
% change from previous year	(20.51)	

Reason for change more than 25% : Not applicable
*Turnover represents revenue from operations excluding government grants
**Average trade receivables = (Total trade receivables (net) as at beginning of respective year + total trade receivables (net) as at end of respective year) divided by 2

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f) Trade payables turnover ratio = Purchases divided by average trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Purchases*	18,050.55	11,660.14
Average trade payables**	4,431.19	4,189.09
Ratio	4.07	2.78
% change from previous year	46.35	

Reason for change more than 25% :
The increase is mainly due to maintaining of coal (fuel) inventory at optimum level to capitalise the peak demand and also due to increase in coal prices

*Purchases includes purchases made during the year, consumption of stores, tools and spares

** Average trade payables = (Total Trade Payables as at beginning of respective year + Total Trade Payables as at end of respective year) divided by 2

g) Net capital turnover ratio = Revenue from operations divided by working capital

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from operations	23,204.51	26,168.14
Workings capital*	(49,529.60)	(56,301.46)
Ratio	**	**
% change from previous year	-	

Reason for change more than 25% : Not applicable

*Working capital = Current assets - Current liabilities
** Denominator is negative

h) Net profit ratio = Net profit after tax divided by Revenue from operations

Particulars	As at March 31, 2023	As at March 31, 2022
Net profit after tax	4,191.38	10,724.67
Revenue from operations	23,204.51	26,168.14
Ratio - %	18.06	40.98
% change from previous year	(55.93)	

Reason for change more than 25% :
The decrease is due to lower turnover and higher provision of ECL compared to previous year

i) Return on Capital employed = Earnings before interest and taxes (EBIT) divided by capital employed

Particulars	As at March 31, 2023	As at March 31, 2022
Earnings before interest and taxes	4,324.58	10,962.81
Capital employed*	1,01,678.62	97,469.33
Ratio - %	4.25	11.25
% change from previous year	(62.19)	

Reason for change more than 25% :
The decrease is mainly due to decrease of profit on account of lower revenue and additional ECL provision

*Capital employed = Total equity + total debt

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Note 37.Employee benefit plans

A. Defined contribution plans

The Group makes Provident Fund and NPS contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

During the year the following amounts have been recognised in the Profit and loss Statement on account of defined contribution plans:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employers contribution to Provident Fund	10.54	9.25
Employers contribution to National Pension Scheme	0.46	0.36

B. Defined benefit plans :

Gratuity -

Under the Gratuity plan operated by the Group, every employee who has completed at least five years of service gets a Gratuity on departure at 15 days on last drawn salary for each completed year of service as per Payment of Gratuity Act, 1972. The scheme is funded with an insurance Group in the form of qualifying insurance policy. The following table summarizes 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.

a. Change in defined benefit obligation

Particulars	Gratuity (Funded)	
	March 31, 2023 In ₹	March 31, 2022 In ₹
Present Value of obligations at the beginning of the year	31.13	30.07
Current service cost	5.42	4.77
Interest Cost	2.03	1.89
Re-measurement (gains)/losses:	-	-
- Actuarial losses / (gains) arising from experience adjustment	0.44	(2.79)
Benefits paid	(3.10)	(2.81)
Present Value of obligations at the end of the year	**35.92**	**31.13**

b. Changes in the fair value of planned assets

Particulars	March 31, 2023	March 31, 2022
Fair value of plan assets at beginning of year	39.40	31.02
Return on plan assets	2.79	2.25
Contributions from the employer	5.60	8.89
Benefits Paid	(3.10)	(2.81)
Re-measurements:		
- Actuarial (losses) / gains on plan assets	(0.08)	0.05
Fair Value of plan assets at the end of the year	**44.61**	**39.40**

c. Amounts recognized in the Balance Sheet

Particulars	March 31, 2023	March 31, 2022
Projected benefit obligation at the end of the year	35.92	31.13
Fair value of plan assets at end of the year	(44.61)	(39.40)
Funded status of the plans – (Assets) recognised in the balance sheet	**(8.69)**	**(8.27)**

d. Components of defined benefit cost recognised in profit or loss

Particulars	March 31, 2023	March 31, 2022
Current service cost	5.42	4.77
Net Interest Expense		
Interest cost on DBO	2.03	1.89
Less: Interest income on plan assets	(2.79)	(2.25)
Net Cost in Profit or Loss	**4.66**	**4.41**

e. Components of defined benefit losses/(gains) recognised in Other Comprehensive income

Particulars	March 31, 2023	March 31, 2022
Remeasurement on the net defined benefit liability:	0.44	(2.79)
- Actuarial gains and losses arising from experience adjustment		
Return on plan assets	0.08	(0.05)
Net losses/(gains) in Other Comprehensive Income	**0.52**	**(2.84)**

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f. Significant actuarial assumptions

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.16%	6.86%
Expected rate of salary increases	5.00%	5.00%
Expected rate of attrition	10.00%	10.00%
Average age of members	38.79	38.07
Average remaining working life	8.04	8.14
Mortality (IALM (2006-2008) Ultimate)	100%	100%

The Group has invested the plan assets with the insurer managed funds. The insurance Group has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31,2023	March 31,2022
Discount rate		
- 0.50% increase	34.86	30.20
- 0.50% decrease	37.05	32.11
Salary growth rate		
- 0.50% increase	37.13	32.19
- 0.50% decrease	34.77	30.13

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Group, as part of the policy rules, makes payment of all gratuity outgoes happening 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)

The Group's best estimate of the contribution expected to be paid to the plan during the next year NIL (PY:NIL).

Effect of Plan on Entity's Future Cash Flows:

a) Funding arrangements and Funding Policy

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.

b) Expected Benefit payments in the following years:

Year 1	4.02
Year 2	3.85
Year 3	4.52
Year 4	6.28
Year 5	3.17
Next 5Years	17.03

C. Long Term Compensated Absences

The assumptions used for computing the long term accumulated compensated absences on actuarial basis are as follows:

Assumptions	March 31,2023	March 31,2022
Discount rate	7.16%	6.86%
Attrition Rate	10.00%	10.00%
Expected rate of salary increases	5.00%	5.00%

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Note 38. Earnings per Share:

a. Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

b. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Basic Earnings per share	20.94	53.57
Diluted Earnings per share	18.15	40.93

Note:
Refer Note 35 for disclosure of changes in accounting policy and prior period errors

Note 38.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit after Tax	4,191.38	10,724.67
Earnings used in the calculation of basic earnings per share	4,191.38	10,724.67
Number of equity shares of ₹ 10 each outstanding at the beginning of the year	200.21	200.21
Add: Equity shares Issued	-	-
Number of equity Shares of ₹ 10 each outstanding at the end of the year	200.21	200.21
Weighted Average number of Equity Shares	200.21	200.21

Note 38.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Earnings used in the calculation of basic earnings per share	4,191.38	10,724.67
Adjustments: Interest on Fully convertible debentures	-	-
Earnings used in the calculation of diluted earnings per share	4,191.38	10,724.67

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average number of equity shares used in the calculation of basic earnings per share	200.21	200.21
Potential Equity shares to be issued Fully convertible debentures	30.78	61.82
Weighted average number of equity shares used in the calculation of diluted earnings per share	230.99	262.03

* The debentures are anti diluted and the weighted average number of diluted equity shares remain the same

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39. Related party transactions

List of related parties and relationship

a. Ultimate Holding Company

Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)

b. Holding Company

IL&FS Energy Development Company Limited (IEDCL)

c. Fellow Subsidiaries

IL&FS Financial Services Limited
IL&FS Environmental Infrastructure Services Limited
IL&FS Maritime Infrastructure Company Limited
IL&FS Education and Technology Services Limited
IL&FS Engineering & Construction Company Ltd
Porto Novo Maritime Limited
IL&FS Cluster Development Initiative Limited
ISSL Settlement & Transaction Services Ltd
IL&FS Transportation Networks Limited
IL & FS Technologies Limited
Livia India Limited

d. Joint Ventures

Cuddalore Solar Power Private Limited

e. Key Management Personnel (KMP)

Sanjeev Seth, Managing Director (w.e.f. 25-01-2021)
Harshlatha J Lalwani, Company Secretary (w.e.f 03-12-2021)
Saravanan Ranganathan, Chief Financial Officer (w.e.f 30-11-2022)
N.Ramesh, Chief Executive Officer (ceased to be KMP w.e.f 25-01-2021 & ceased to be a CEO w.e.f 31-05-2021)
Priya Iyer, Company Secretary (ceased to be Company Secretary w.e.f. 13-08-2021)
Sushil Kumar Agarwal, Chief Financial Officer (ceased to be CFO w.e.f 30-08-2022)

f. Non Executive directors

Feby Koshy Bin Koshy (w.e.f Dec 02, 2020)
Kaushik Modak (w.e.f May 13, 2022)
Nand Kishore (w.e.f August 18, 2022)
Neerav Yashwant Kapasi (ceased to be Director w.e.f May 25, 2022)
Malini Vijay Shankar (ceased to be Director w.e.f July 18, 2022)

Nature of transaction with related parties

Particulars	As at March 31, 2023	As at March 31, 2022
Issue of Share Capital		
Infrastructure Leasing & Financial Services Limited	-	-
Security Premium on conversion of Debentures		
Infrastructure Leasing & Financial Services Limited	-	-
Conversion of debentures		
Infrastructure Leasing & Financial Services Limited	-	-
Rental income		
IL&FS Maritime Infrastructure Company Limited	-	0.03
Porto Novo Maritime Limited	-	0.03

Particulars	As at March 31, 2023	As at March 31, 2022
Rental expenses		
IL & FS Energy Development Company Limited	0.55	0.32

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Particulars	As at March 31, 2023	As at March 31, 2022
Remuneration to key management personnel paid during the year		
a)Salary including perquisites		
Sanjeev Seth	15.19	14.36
Sushil Kumar Agarwal	3.59	7.07
Saravanan Ranganathan	1.51	-
N Ramesh	-	1.93
Priya Iyer	-	0.36
Harshlatha J Lalwani	0.42	0.22
Sitting fee paid to non whole time directors	0.66	0.27

Balance outstanding with related parties:

Particulars	As at March 31, 2023	As at March 31, 2022
Year-end payable balances		
IL & FS Energy Development Company Limited	169.91	169.38
Infrastructure Leasing & Financial Services Limited	878.67	878.67
IL&FS Environmental Infrastructure Services Limited	5.19	5.19
IL&FS Financial Services Limited	255.09	255.09
IL&FS Technologies Limited	0.10	0.10
Porto Novo Maritime Limited	55.53	55.53
IL&FS Maritime Infrastructure Company Limited	1,736.88	1,745.26
Year-end receivable balances		
IL&FS Environmental Infrastructure Services Limited	1.25	1.25
Porto Novo Maritime Limited	1.34	1.34
IL&FS Maritime Infrastructure Company Limited	2.88	2.88
Share Capital		
IL & FS Energy Development Company Limited	1,607.98	1,607.98
A S Coal Resources Pte Limited	151.72	151.72
Infrastructure Leasing & Financial Services Limited	242.38	242.38
Security Premium on Conversion of Debentures		
IL & FS Energy Development Company Limited	32,187.84	32,187.84
A S Coal Resources Pte Limited	96.79	96.79
Infrastructure Leasing & Financial Services Limited	5,146.90	5,146.90
Inter-company borrowings received		
IL & FS Energy Development Company Limited	6,326.36	6,326.36
A S Coal Resources Pte Limited	168.43	156.65
IL&FS Transportation Networks Limited	239.85	232.79
Debentures outstanding (including interest accrued)		
IL & FS Energy Development Company Limited	4,743.87	4,743.87
Financial Asset-Loans (net of impairment)		
Infrastructure Leasing & Financial Services Limited	0.03	0.03
Other Financial Liabilities-Interest accrued		
IL & FS Energy Development Company Limited	1,331.06	1,331.06
IL&FS Transportation Networks Limited	22.26	22.26
A S Coal Resources Pte Limited	93.70	87.14

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Note 40. Financial instruments

Note 40.1 Capital management

The Group's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Group through the optimization of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Group. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Group:

Particulars	As at 31 March 2023	As at 31 March 2022
Equity	**19,403.62**	**15,224.57**
Debt	82,275.00	82,244.76
Cash and cash equivalents	(1.41)	(1.82)
Net debt	**82,273.59**	**82,242.93**
Total capital (equity + net debt)	**1,01,677.20**	**97,467.51**
Net debt to Total capital(equity+Net debt) ratio	0.81	0.84

Note 40.2 Categories of financial instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets-Non Current		
at amortised cost		
(i) Investments	0.12	0.12
(ii) Trade Receivables (refer note 5)	15,333.44	16,490.33
(iii) Other financial assets	596.56	564.79
Financial assets-Current		
at amortised cost		
(i) Trade Receivables (refer note 5)	13,552.71	18,471.54
(ii) Cash and Cash Equivalents	1.41	1.82
(iii) Bank balances other than (ii) above	26,758.91	16,931.59
(iv) Other Financial assets	466.15	377.61
Financial Liabilities-Current		
at amortised cost		
(i) Borrowings (refer note 15)	82,275.00	82,244.76
(ii) Trade Payables	4,833.74	4,028.64
(iii) Other financial Liabilities	7,725.77	7,723.16

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Note 40.3 Financial Risk Management Objective and Policies:
The Group's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Group. The Management ensures appropriate risk governance framework for the Group through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Group's policies and risk objectives.
In the ordinary course of business, the Group is exposed to market risk, credit risk, and liquidity risk.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and commodity risk.

a) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period. The said analysis has been carried on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points on the exposure of ₹ 69,262.14 as on 31st March, 2023 and ₹ 69,257.32 as on 31st March, 2022 and all other variables were held constant, the Group's profit for the year would increase or decrease as follows also refer note 15:

Particulars	Year ended March 31,2023	Year ended March 31,2022
Impact on Profit or Loss for the year	346.75	346.72

b) 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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities, however the Group is not having hedging limits as working capital facility hence transactions are incurred on prevailing market rates.

Foreign currency risk management
The Group is exposed to foreign exchange risk on account of following:
1. Purchase of Coal
2. Purchase of stores and spares

The Group has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies. Consequent to matters described in Note 1.2 above, the Group has not hedged any of its exposure during the year.

The Group is under NCLAT Resolution and the process prescribed under the Insolvency and Bankruptcy code would be applicable to the Group. The outstanding liabilities as on 15th October 2018 including Foreign currency liabilities are converted in to INR at the exchange rate of 15th Oct'2018. On Resolution, the crystalised foreign liabilities will be paid in foreign currency equivalent to the INR. Hence, the foreign liabilities are not restated on the balance sheet date.

However, the Group restated the foreign currency liability till March, 2022 at the prevailing closing rate as on the reporting date as per the IND AS 21. During the current year based on the legal opinion obtained, the Group has frozen its foreign currency liability as at 15th Oct 2018 which has resulted in reversal of foreign exchange loss amounting to Rs. 121.92, the effect of the same has been given in the respective previous years.

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c) Commodity price risk

The Group operating activities require the on-going purchase of coal and other fuel. This is affected by the price volatility of certain commodities. The Group is hedging the same by procuring the coal in the current market and keeping a close tap of the price with the cost of generation thereby ensuring this does not result in negative operating margins.

d) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is having majority of receivables from State Electricity Boards which are Government undertakings and hence they are secured from credit losses in the future. Though there are delays in payments there is no risk with regard to certainty of collection. Refer Note 6.3 for credit concentration.

Note 40.4 Liquidity risk management

The Group endeavour to manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Consequent to matters described in Note 1.2 above, the Group's funds management has undergone a change. Currently, the Group solely depends on its ability to collect money from its power sale customers which in turn effects the procurement plan and this can have cascading effect on declaring availability and generation of power.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments as at March 31, 2023:

Particulars	Carrying amount	up to 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	82,275.00	82,275.00	-	-	82,275.00
Trade Payables	4,833.74	4,833.74	-	-	4,833.74
Other Financial Liabilities	7,725.77	7,725.77	-	-	7,725.77
Total	**94,834.51**	**94,834.51**	-	-	**94,834.51**

The table below provides details of financial assets as at 31 March 2023:

Particulars	Carrying amount
Trade receivables	28,886.15
Other financial assets	27,823.15
Total	**56,709.30**

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments as at March 31, 2022:

Particulars	Carrying amount	up to 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	82,244.76	82,244.76	-	-	82,244.76
Trade Payables	4,028.64	4,028.64	-	-	4,028.64
Other Financial Liabilities	7,723.16	7,723.16	-	-	7,723.16
Total	**93,996.56**	**93,996.56**	-	-	**93,996.56**

The table below provides details of financial assets as at 31 March 2022:

Particulars	Carrying amount
Trade receivables	34,961.87
Other financial assets	17,875.93
Total	**52,837.80**

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Note 41. Financial Instruments

Fair Values:

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities.

Particulars	As at 31 March 2023			As at 31 March 2022		
	Carrying value	**Fair Value through profit or loss**	**Fair value**	**Carrying value**	**Fair Value through profit or loss**	**Fair value**
Financial assets						
Financial assets at amortised cost:						
- Trade receivables	28,886.15	-	28,886.15	34,961.87	-	34,961.87
- Cash and cash equivalents	1.41	-	1.41	1.82	-	1.82
- Bank balances other than cash and cash equivalents	26,758.91	-	26,758.91	16,931.59	-	16,931.59
- Investments	0.12	-	0.12	0.12	-	0.12
- Other financial assets	1,062.71	-	1,062.71	942.40	-	942.40

Particulars	As at 31 March 2023			As at 31 March 2022		
	Amortised cost	**Fair Value through profit or loss**	**Fair value**	**Amortised cost**	**Fair Value through profit or loss**	**Fair value**
Financial liabilities						
Financial liabilities at amortised cost:						
Borrowings	82,275.00	-	82,275.00	82,244.76	-	82,244.76
Trade payables	4,833.74	-	4,833.74	4,028.64	-	4,028.64
Other financial liabilities	7,725.76	-	7,725.76	7,723.16	-	7,723.16

The management assessed that cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, short term borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Derivatives are fair valued using market observable rates.

Note 42 Commercial arrangements and claims received

(i) The Company had raised funds by way of private placement of two Secured, Unlisted, Redeemable Non-Convertible Debentures ("NCD") having face value of Rs.10,00,000 each, aggregating Rs.5,000, backed by corporate guarantee and/or undertakings by IL&FS and IL&FS Energy Development Company Limited (IEDCL). Pursuant to an arrangement with IL&FS, the Company was required to pay monitoring fees to IL&FS in respect of the above-mentioned private placement of NCDs. Subsequent to the downgrading of credit rating of IL&FS after October 2018, holders of NCDs of the Company have increased interest rates on NCDs issued by the Company. As result of the foregoing, management concluded that the arrangement with IL&FS and IEDCL became infructuous from October 15, 2018 and April 1, 2019, respectively. Accordingly, no expenses in this regard have been accounted for by the Company in the previous years and current year.

(ii) The Company entered into an agreement dated May 25, 2017 with IL&FS Maritime Infrastructure Company Limited ("IMICL"), an IL&FS group company, for providing coal handling services to the Company. As per the said agreement, the Company was required to pay fixed charges on yearly basis to IMICL in addition to variable charges per tonne of coal handled. Such charges had been waived by IMICL from the financial year 2018-19. In addition, the Company was liable to pay interest on delayed payment of dues pertaining to the period from July 1, 2017 to March 31, 2018, aggregating to Rs 386.30 as on March 31, 2019. This contract with IMICL was terminated by the Company effective April 1, 2019. Against the above, an amount of Rs 278.86 has been claimed by IMICL on the Company, including as part of the claims process as at March 31, 2023 (March 31, 2022 - Rs. 278.86). The Company has not admitted these claims, and hence has not accounted for such costs in these financial statements. No such claims have been made on the Company, or been recorded by the Company, in respect of the current financial year.

(iii) The Company had entered into an agreement with Porto Novo Maritime Limited ('PNML') (more fully discussed in Note 47). In respect of which, no interest expenses have been provided for by the company. Against the above, an amount of Rs 274.30 has been claimed by PNML through the claims process (refer Note 43) or otherwise

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Note 43. Creditors claims process

Pursuant to the "Third Progress Report - Proposed Resolution Framework for the IL&FS Group" dated 17 December, 2018 and the "Addendum to the Third Progress Report - Proposed Resolution Framework for IL&FS Group" dated January 15, 2019 ("Resolution Framework Report") submitted by IL&FS, the ultimate holding Group of the Group, to the Ministry of Corporate Affairs, Government of India which, in turn, was filed with the Hon'ble National Group Law Appellate Tribunal ("NCLAT"), the creditors of the Group were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof on or before 5 June, 2019 (date later extended till June 20, 2019) to a Claims Management Advisor ("CMA") appointed by IL&FS Group. The amounts claimed by the financial and operational creditors are assessed for admission by the CMA.

The CMA, published the claim admision status report on 30.09.2022 pursuant to the claims received upto 18.08.2022.

Management of the Group is in the process of reviewing the claims made by third parties with the CMA, of Rs 17,166.85 (March 31, 2022 - Rs. 17,166.85) in respect of the Group (excluding from banks) as at October 15, 2018, and reconciling such claims with the corresponding amounts as per the Group's books of account. Against this, as at March 31, 2023, the Group has recorded liabilities aggregating Rs. Rs. 10,511.27 (March 31, 2022 - Rs. 10,511.27) in respect of these claims. Having regard to the nature, volume and value of claims received, management is of the view that due process will need to be applied to all such claims, in order to finally determine the level of present obligations that would need to be recognised by the Group as liabilities. Pending final determination in this regard, no adjustments have been made in this regard to these financial statements, and all such claims (to the extent not recorded as liabilities in the financial statements) Have been disclosed as part of contingent liabilities

Note 44.Order of NCLT for re-opening and re-casting of financial statements of group companies

The National Company Law Tribunal ("NCLT"), vide order dated On 1 January 2019, has allowed petition filed by the Union of India for re-opening of the books of accounts and re-casting the financial statements of Infrastructure Leasing & Financial Services Limited ('IL&FS'), IL&FS Financial Services Limited ('IFIN') and IL&FS Transportation Network Limited ('ITNL') under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2013-14 to 2017-18. The process of such re-opening and re-casting of financial statements is currently in progress.

The Company had entered into transactions with IL&FS, IFIN and ITNL during the aforementioned years and the Board of Directors of the Company have reviewed these transactions and has evaluated the impact of this order on the Company. Based on such evaluation, and having regard to the fact that no such directions for re-opening of books of account or re-casting of financial statements of the Company has been issued till date, management is of the view that the re-opening of books of accounts and re-casting of financial statements of IL&FS, IFIN and ITNL does not have any impact on the financial statements of the Company as at and for the year ended March 31, 2023 and March 31, 2022. There are no transactions entered into by the Company with IL&FS, IFIN and ITNL during the current financial year.

Note 45.Forensic audit of IL&FS group entities

The reconstituted Board of IL&FS has initiated a forensic examination for the period from April 2013 to September 2018 for certain companies of the Group including ITPCL, and appointed an external agency to perform the forensic audit and report to the Board of IL&FS. We have received the report during the year ended March 31, 2021. Based on the report, the Company had issued show cause notices (SCN) to three employees, regarding potential irregularities in transactions with vendors and the role of those employees with respect to those transactions in line with IL&FS Group forensic audit protocol. The Company has received responses from those individuals, and have terminated their services and withheld the final settlement of these employees. Company has further filed petition with Hon'ble NCLT under section 66 of the IBC Code for suitable remedy/recovery. Pending outcome of the matter, the financial statement consequences of the above are not currently determinable

Note 46. Non-Compliance of laws and regulations and loan covenants

In earlier financial years, consequent to the resignation of certain independent directors, the Company is in non-compliance with requirements of the Companies Act, 2013 regarding constitution of an audit committee, and related requirements till November 18, 2019.

As a consequence of the matters described in Note 1.2 and Note 15 and various other matters discussed in these financial statements, the company may not be in compliance with certain laws and regulations, including but not limited to certain provisions of The Companies Act, 2013. Management is in the process of evaluating the various consequences arising from such non compliances including their financial and operational impact. Pending final determination and assessment thereof, no adjustments have been made to these financial statements.

As a result of the forensic audit referred in Note 45 above, non-compliance in the period up to October 15, 2018, of, certain covenants in respect of loans taken by the company, have been identified. Having regard to the company's ongoing discussion with lenders and the matters stated in Note 1.2 above, no further adjustments have been considered necessary to these financial statements, in that regard

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Note 47. Accounting for amounts due / recoverable from IL&FS group companies

a. Porto Novo Maritime Limited ("PNML ")

The Company entered into a License Agreement dated September 15, 2010 with Tamil Nadu Maritime Board ("TNMB") on September 15, 2010 for the development and operation of the Parangipettai Port in Tamil Nadu, India (the "Port"), for a period of 30 years from August 15, 2010. The Company has transferred the Licence for port development and operation to PNML, an IL&FS group company, without any consideration. Thereafter, the Company signed a Memorandum of Agreement with PNML dated April 12, 2013 to develop, finance, implement and operate the Port as a captive port for the Company on a "Take or Pay" basis.

As per the Memorandum of Agreement with PNML, the Company was required to provide capital support of Rs 6,300 to PNML towards construction of the Port, out of which Company paid Rs.2,903.50 to PNML between March 2013 and February 2014. The development of the port was deferred due to various reasons, including delay implementation of Phase II of the Company's power plant. Subsequently, in July 2015, PNML refunded Rs.1,900 out of the 2,903.50 received from the Company.

The Company and PNML entered into an amendment dated March 7, 2016 to the Memorandum of agreement dated April 12, 2013, in terms of which the Company was required to pay a deposit of Rs 2,200 to PNML in lieu of capital cost already incurred by PNML, and PNML was required to refund the balance Rs 1,003.50 capital support to the Company. The Company had not received the capital support amount of Rs 1,003.50 from PNML, and based on the financial condition of PNML, the Company provided for such amount of Rs 1,003.50, as at March 31, 2019

b.Interest on margin money deposits placed with IEDCL

The Company has placed margin money deposits of Rs. 327.13 with IEDCL, its holding company (refer Note 15). The Company had recognised interest receivable on such margin money for the period April 1, 2018 to October 15, 2018, of Rs 9.76, which was adjusted against the balance of term loans payable as at March 31, 2019 (refer Note 15). The Company has not recognised interest on such margin money for any period thereafter, till March 31, 2023.

Note 48.Government Grants

The Company qualifies as a Mega Power Project, in terms of the applicable regulations in this regard, and has obtained a provisional Mega Power Project status certificate from the Ministry of Power, Government of India ("GoI"). In terms of the prevalent scheme at the relevant time, the Company had availed of exemption from customs and excise duty aggregating Rs 9,953.67 on the purchase of equipment and spares for the Company's power project, which were secured by bank guarantees and fixed deposits. The grant of final mega power status of the Company is dependent on its achieving tie up for the supply of power for 85% of its installed capacity through the long-term PPAs by way of competitive bidding and the balance through regulated market within stipulated time (i.e., by January 2025). Under Ind AS, exemption of customs and excise duty has been treated as grant relating to income and accordingly, the amount of grant has been set-up as deferred income and has been recognised in statement of profit and loss over the useful life of the asset for which grant was received, with a corresponding balance recognised under Property, Plant & Equipment (Plant and Machinery).

As indicated in Note 1.1 above, in respect of Unit I of the Company's power plant operations, the Company has entered into a PPA for 15 years with TANGEDCO. The Company has obtained a mega power certificate (provisional) to the extent of 56.17% based on the amended Mega Power Policy 2009 and, accordingly, bank guarantees provided by the Company to the GOI for an amount of Rs 5,576.14 (proportional to the total value of bank guarantees given) have been released. There are no further obligations or conditions attached to this portion of the grant.

As indicated in Note 1.1 above, in respect of Unit II, the Company has represented to Ministry of Power that it has not been able to enter into a long-term PPA, as required by the terms of the duty waivers explained above, due to a lack of market (represented by requests for proposals) for such power supply terms. Ministry of power had given further period of 3 years till 2025 to comply with condition of long term PPA. Management also believes that there are no other material obligations or conditions attached to this remaining portion of the grant, and that the Company would continue to retain its Mega Power Project status in respect of Units I and II combined and, accordingly, no adjustments have been made to the financial statements in respect of the non current deferred government grants of Rs. 4,173.95 (March 31, 2022 - Rs. 4,173.95) (included in Note 18).

Note 49. Loan restructuring

Management has received approval from bankers/financial institutions to restructure the payables towards principal and interest in respect of the Group's borrowings from those banks/financial institutions. This approval of restructuring is subject to the approval of The Hon'ble NCLAT. Application for such approval was made on January 08, 2021. Hon'ble NCLAT had heard the matter and passed the orders as under;

1. By its order dated 1.12.2021 , Hon'ble NCLAT approved the prayers related to restructuring of debts towards financial creditors

2. By its order dated 04.07.2022, the Hon'ble NCLAT refused grant of prayers related to restructuring of dues towards operational and capex creditors. Hon'ble NCLAT asked the company to make supplementary resolution plan and its subsequent approval from IL&FS Board and adjudicating authority.

Keeping the above in view, ITPCL had started the process of finalising supplementary resolution scheme dealing with claims of operational & capex creditors. Company is also engaged with lenders for revalidation of their earlier sanction and early implementation of debt restructuring plan as approved by them.

As the matter is still in progress , no adjustments for the above have been made in the financial statements.

Note 50. Attachment of shares of the Company held by A.S. Coal

The Company received a copy of an order of the Directorate of Enforcement, Government of India, dated January 05, 2021, attaching the 14,851,486 equity shares of the Company held by its shareholder, A.S Coal Resources pte., Ltd, Singapore ("AS Coal"), towards alleged non-compliances by AS Coal and/or its shareholder(s), of the provisions of the Prevention of Money Laundering Act, 2002. The Company, which is named as a defendant in these proceedings, has submitted a reply dated May 04, 2021, that other than being the target company of the alleged non-compliances as stated above, the Company is not involved in any way in this matter. Accordingly, Management believes that this matter does not have any consequence on the Company, and no adjustments are required to the financial statements in this regard

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IL&FS TAMIL NADU POWER COMPANY LIMITED CHENNAI

IL&FS TAMILNADU POWER COMPANY LIMITED
Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

IL&FS | Energy

All amounts are in ₹ million, except share data and as stated

Note 51. Previous year's figures have been regrouped wherever necessary to correspond with the current year's classification / disclosure.

Note 52. Approval of financial statements
The financial statements were approved for issue by the board of directors on May 31, 2023

As per our report of even date

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No.101961W/W-100036

Vijay Mehta
Partner
Membership No: 106533

Place: Mumbai
Date: 31.05.2023

For and on behalf of the Board of Directors

Nand Kishore Director DIN No:08267502 Place: Delhi Date: 31.05.2023	Sanjeev Seth Managing Director DIN No:07945707 Place: Chennai Date: 31.05.2023	Feby Koshy Bin Koshy Director DIN No:08483345 Place: Mumbai Date: 31.05.2023
Kaushik Modak Director DIN No:01266560 Place: Mumbai Date: 31.05.2023	Saravanan Ranganathan Chief Financial Officer Place: Chennai Date: 31.05.2023	Harshlatha J Lalwani Company Secretary Place: Chennai Date: 31.05.2023

INDEPENDENT AUDITOR'S REPORT

To the Members of IL&FS Tamil Nadu Power Company Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of IL&FS Tamil Nadu Power Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects and possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Qualified Opinion

We draw attention to the matters more fully discussed in the following notes to the standalone financial statements:

a) Note 41 regarding the investments (net of provisions) in ILFS Maritime Offshore Pte Ltd. Singapore (a subsidiary of the company), of Rs.612.46 million as at March 31, 2023 (previous year-Rs.612.46 million), in respect of which no provision for impairment in investment has been made. We are unable to obtain sufficient appropriate audit evidence of the carrying value of such investments, and consequently, unable to comment on the any further adjustments that may be required to be recognized in this regard;

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b) Note 43 to the standalone financial statements, relating to contractual liabilities not accounted for the reasons stated in the said note. In our opinion, the Company may be required to account for the liabilities aggregating Rs. 6,655.58 million as at March 31, 2023 (PY–Rs.6,655.58 million). Further, pending the final assessment and determination of various claims received as stated in Note 43 we are unable to comment on the adjustments that may be required in this regard, to the standalone financial statements;

c) We draw attention to Note 27 to the accompanying standalone financial statements, stating that the value of trade and other payables in foreign currency has been restricted to the liability in INR as crystalized on October 15, 2018 and not restated as at closing rate as on reporting date as per reasons mentioned in the note. The same is not in compliance with Ind AS 21 – The Effect Changes in Foreign Exchange Rates. Accordingly, profit for the year ended 31st March 2023 has been overstated by Rs. 437.37 million (Previous Year by Rs.153.48 million). As a result, trade and other payables as on reporting date is understated by Rs.559.29 million (Previous Year by Rs.121.92 million) with corresponding impact on retained earnings;

Our previous year audit report was also modified in respect of Para a) and b).

We conducted our audit of the standalone financial statements 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 (ICAI) together with the independence requirements that are relevant to our audit of standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained sufficient and appropriate to provide a basis of our opinion on standalone financial statements.

Material Uncertainty Related to Going Concern

We draw attention to note 1.4 A (c) of the accompanying standalone financial statements which states that:

a) Though the net worth of the Company as on March 31, 2023 is Rs.20,058.89 million (PY Rs.15,859.40 million), if the non-provision of finance cost estimated to Rs.51,452.90 million (PY Rs.38,843.82 million) is considered (Refer Note 15.6 to the standalone financial statements) till the reporting date, the net worth would be negative Rs. 31,394.01 million (PY Rs.22,984.42 million);

b) As reported in Note 15.6, the Company has defaulted on payments of borrowings;

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c) Further, as at March 31, 2023, the current liabilities of the Company aggregating to Rs.94,579.18 million (PY Rs.93,780.37 million) exceed the current assets aggregating to Rs. 45,575.84 million (PY Rs.37,970.52 million);

These situations indicate that a material uncertainty exist that may cast significant doubt on the Company's ability to continue as a going concern. Consequently, we are unable to determine the Company's ability to continue as a going concern.

Our opinion on the standalone financial statements is not modified for the above matters.

Emphasis of Matter

We draw attention to

a) Our observations in above paragraph of 'Material uncertainty related to Going Concern' whereby, in spite of facts mentioned therein, the standalone financial statements are prepared on 'Going Concern' basis;

b) Note 15.8 and Note 15.9 to the standalone financial statements, wherein it is stated that pursuant to National Company Law Appellate Tribunal (NCLAT) order dated October 15, 2018 related to crystallisation of claims as of cut-off date (i.e. October 15, 2018 for loans from banks and debentures, and October 31, 2018 for cash credit accounts), and that no interest, additional interest, default interest, penal charges or other similar charges are to be accrued after the cut-off date;

c) Note 15.10 to the standalone financial statements, wherein it is stated that for reasons stated in that note, the Company has not recorded the net difference of Rs. 30,478.10 million as of March 31, 2023 (previous year Rs. 19,172.40 million) between balances as per books of the company and as per bank and financial institutions in respect of loans from banks and financial institutions;

d) Note 44, relating to the regulatory order for re-opening of books of accounts and re-casting of financial statements of certain group companies, and Note 45, relating to the forensic investigation process initiated but not yet concluded in respect of entities in the group, including the Company, when possible consequential effects on the standalone financial statements cannot be determined as of even date;

e) As stated in note 46 to the accompanying standalone financial statements, the Company is not in compliance with certain requirements / provisions of applicable laws and regulations as more fully stated in that note.

   Pending final determination by management of the financial and other consequences arising from such non-compliances, no adjustments have been made to the accompanying financial statements.

Our opinion is not qualified in respect of the above matters.

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Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's report including annexures to the Director's Report, Corporate Governance Report and Shareholders information but does not include the standalone financial statements and our auditor's report thereon. The other information as above is expected to be made available to us after the date of this audit report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements.

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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.

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

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The 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

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.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism 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 financial 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 control system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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- 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.

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 financial control that we identify during our audit.

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.

Report on Other Legal and Regulatory Requirements

1) 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 I**" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2) As required by Section 143(3) of the Act, we report to the extent applicable that:

   (a) We have sought and except for matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;

   (d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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(e) The matter described in the Basis for qualified opinion and Material Uncertainties relating to Going Concern, in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of the written representations received from the directors 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;

(g) 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 II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements;

(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 33 to the standalone financial statement;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) a) The management has represented that, to the best of its' knowledge and belief, other than 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 person(s) or entity(ies), 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;

b) The management has represented, that, to the best of its' knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding

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Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that we have 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) There were no amounts which were declared or paid during the year as dividend by the company.

3) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the company to its directors' are in accordance with provisions of Section 197 read with Schedule V of the Act.

4) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

FOR C N K & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 101961W/W-100036

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Vijay Mehta
Partner
Membership Number: 106533
UDIN: 23106533BGXNHQ9697
Place: Mumbai
Date: May 31, 2023

Annexure I to the Independent Auditor's Report

(Referred to in Paragraph 1 under "Report on Legal and Regulatory Requirements" of Independent Auditor's Report of even date to the members of IL & FS Tamil Nadu Power Company Limited ("the Company") on the standalone financial statements for the year ended March 31, 2023)

According to the information and explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

(i) a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The company has maintained proper records showing full particulars of intangible assets;

b) The Company has a program of verification to cover all the items of Property, Plant and Equipment once in every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its business. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification;

c) Based on our examination we report that title deeds of all immovable properties (other than properties where the company is lessee and the lease agreements are duly executed in the favour of lessee), disclosed in note 2(a) of the financial statements and according to the information and explanations provided by the management and as per confirmations received from banks, the title deeds of immovable property are held in the name of the Company;

d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year ended March 31, 2023;

e) As disclosed in note no 32 to the standalone financial statements, the Company does not have any proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage of verification and the procedure done by the management is reasonable and are adequate. No discrepancies of 10% or more in aggregate of each class of inventory were noticed on such physical verification;

b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, by bank on the basis of security of current assets. In our opinion, the quarterly statements filed by the Company with the bank are materially in agreement with the books of account of the Company of the respective quarters;

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(iii) During the year, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties.

Hence reporting under clause 3(iii)(a) and 3(iii)(b) of the Order is not applicable.

c) The Company had advanced loans (including accrued interest) to its subsidiaries, joint ventures and other parties amounting to Rs. 6,583.38 million in earlier years which is outstanding and recoverable as on date. The aforesaid amount is due for repayment and company has made appropriate impairment provisions against the same.

d) As mentioned in clause 3(iii)(c) above, the entire amount is overdue for more than 90 days. The company has been taking reasonable steps for recovery for the principal and interest.

e) None of the loans or advances in the nature of the loan granted in earlier years has fallen due during the year. Hence reporting clause 3(iii)(e) of the Order is not applicable.

f) During the year the Company has not granted any loans or advances in the nature of the loan either repayable on demand or without specifying any terms or period of repayment. Hence reporting clause 3(iii)(f) of the Order is not applicable.

(iv) During the year, the Company has not given any loans, investments, guarantees, and security which is covered under provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act"). Accordingly, reporting under clause 3(iv) of the Order is not applicable;

(v) The company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the order is not applicable to the Company;

(vi) We have broadly reviewed the books of accounts maintained by the company pursuant to rules made by the central government for the maintenance of cost record under sections 148(1) of the companies Act 2013, related to the production of electricity, and are of opinion that the prima facie, the specified accounts, and records have been maintained. We have not, however made detailed examination of the same;

(vii) a) The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount payable in respect of provident fund, income tax, customs duty, excise duty, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable;

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b) According to the records of the company, the dues outstanding of income tax, on account of any dispute are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs. million)	Financial year to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	234.4	AY 2017-18	CIT (Appeal)
Income Tax Act, 1961	Income Tax	22.34	AY 2016-17	CIT(Appeals)
Income Tax Act, 1961	Income Tax	3.55	AY 2011-12	CIT(Appeals)

(viii) As disclosed in note no 32 of the standalone financial statements, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

(ix) a) As referred in Note 15.6 to the standalone financial statements, the company has defaulted in repayment of loans or borrowings to the financial institutions, banks and dues to debenture holders, aggregating Rs.16,292.14 million as at March 31, 2023. Including Rs.4501.09 million of repayments which fell due during the year (delay in such repayments being for not more than 1568 days in each individual case). The lender wise details are tabulated as under:

Particulars	Amount of default as at March 31, 2023 (Rs in Millions)	Period of Default	Remarks
Andhra Bank	541.64	October 15th, 2018 to March 31, 2023 Principal amount due	
Bank of Baroda	912.91		
Bank of India	864.63		
Canara Bank	542.24		
Indian Bank	542.64		
LIC of India	950.22		
Punjab National Bank	2957.39		
Union Bank of India	1600.79		
Punjab & Sind Bank	182.34		
State Bank of India	981.14		
The Jammu & Kashmir Bank Limited	182.34		

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United Bank of India	461.04		
PTC India Financial Services Limited	366.68		
Debentures	5206.12	October 15th, 2018 to March 31, 2023	Principal and Redemption Premium Payable

*Amounts are based on the schedule of maturity as per loan agreements and does not consider amounts of deposits matured, which have been adjusted by banks against the loans.

(b) As disclosed in note no 32 of the standalone financial statements, the Company is not declared wilful defaulter by any bank or financial institution or other lender;

(c) As disclosed in note 15 to the standalone financial statements, the Company has not taken any term loans during the year, however, term loans (Including Inter Corporate Deposits) taken in previous periods are still outstanding as on March 31, 2023 amounting to Rs. 70,382.39 millions (PY Rs. 70,377.56million). In the absence of necessary information, we are unable to comment whether the respective term loans were applied for the purpose for which they were obtained;

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short- term basis, prima facie, has not been used during the year for long-term purposes by the Company;

(e) The Company has not taken any funds from an entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year. Accordingly, reporting on clause 3(ix)(e) of the Order is not applicable;

(f) The Company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting on clause 3(ix)(f) of the Order is not applicable;

(x) (a) The Company has not taken any funds from an entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures during the year. Accordingly, reporting on clause 3(x)(a) of the Order is not applicable;

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(b) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable and hence not commented upon;

(xi) (a) There are no instances of material fraud by the company or on the company, noticed or reported during the year;

(b) No report under sub sections (12) of the section 143 of the Act has been filed in the Form ADT-4 as prescribed under rule 13 of the companies (Audit Auditors) Rules, 2014 with Central Government, during the year and up to the date of this report;

(c) As represented to us by the management, there are no whistle bowler complaints received by the company during the year;

(xii) The Company is not a Nidhi Company and hence provisions of Clause 3(xii)(a) to 3(xii)(c) of the Order is not applicable;

(xiii) Transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards;

(xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with size and nature of business;

(b) We have considered, internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures;

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with directors and hence provisions of Section 192 of the Act is not applicable;

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

(b)The Group has one Core Investment Company (CIC) as part of the Group;

(xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. The above does not include possible impact of items included in 'Basis of Qualified Opinion' or 'Emphasis of Matter' paragraphs reported above;

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(xviii) There has been no resignation of statutory auditors of the Company during the year;

(xix) We refer to the 'Material Uncertainty over Going Concern paragraph' in our report. Based on the same, we believe that material uncertainty exists as on the date of the audit report that Company may not be able to meet 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;

(xx) (a) As disclosed in note 29 to the standalone financial statements, the Company is not required to transfer any unspent amount sub section (5) of section 135 of the Act to a fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with the provision of 135(6) of the Act, as they have filed application with MCA to provide an exemption from the provision of Section 135(1) of the Companies Act requirement of spending 2% of its average net profits from the date of Moratorium till the time Debt Restructuring is implemented by the company;

(b)There is no amount remaining unspent under Section 135(5) of the Act, pursuant to any on-going project and hence reporting under clause 3(xx)(b) of the Order is not applicable.

FOR C N K & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 101961W/W-100036

C N K & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
CHENNAI

Vijay Mehta
Partner
Membership Number: 106533
UDIN: 23106533BGXNHQ9697
Place: Mumbai
Date: May 31, 2023

Annexure II to the Independent Auditor's Report

(Referred to in Paragraph 2(h) under "Report on Legal and Regulatory Requirements" in the Independent Auditor's Report of even date to the members of IL & FS Tamil Nadu Power Company Limited ("the Company") on the standalone financial statements for the year ended March 31, 2023)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of IL & FS Tamil Nadu Power Company 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

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 with reference to standalone financial statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls.

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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that

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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.

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 with reference to standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

b) 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 authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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CHARTERED ACCOUNTANTS
CHENNAI

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control over financial reporting and such internal financial controls with reference standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

FOR C N K & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 101961W/W- 100036

CNK & ASSOCIATES LLP CHARTERED ACCOUNTANTS CHENNAI

Vijay Mehta
Partner
Membership Number: 106533
UDIN: 23106533BGXNHQ9697
Place: Mumbai
Date: May 31, 2023

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IL&FS TAMIL NADU POWER COMPANY LIMITED
STANDALONE BALANCE SHEET AS AT MARCH 31, 2023
All amounts are in ₹ million, except share data and as stated

S.No	Particulars	Note no.	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
A	**ASSETS**				
	Non-current assets				
	(a) Property, plant and equipment	2	60,321.38	62,133.21	63,130.89
	(b) Other intangible assets	3	0.54	0.64	0.36
	(c) Financial assets				
	(i) Investments	4	612.58	612.58	612.58
	(ii) Trade receivables	5	15,333.44	16,490.33	2,220.95
	(iii) Other financial assets	6	596.50	564.73	1,716.66
	(d) Non-current tax assets (net)	12	163.17	108.27	30.49
	(e) Other non current assets	7	26.79	-	6.20
			77,054.40	**79,909.76**	**67,718.13**
	Current assets				
	(a) Inventories	8	4,250.62	1,608.20	2,448.57
	(b) Financial assets				
	(i) Trade receivables	5	13,551.23	18,470.16	19,117.63
	(ii) Cash and cash equivalents	9	1.27	1.37	17,109.08
	(iii) Bank balances other than (ii) above	10	26,758.91	16,931.59	713.41
	(iv) Loans	11	-	-	-
	(v) Other financial assets	6	466.15	377.61	102.53
	(c) Other current assets	7	547.66	581.59	523.16
			45,575.84	**37,970.52**	**40,014.38**
	Total assets		**1,22,630.24**	**1,17,880.28**	**1,07,732.51**
B	**EQUITY AND LIABILITIES**				
	Equity				
	(a) Equity share capital	13	2,002.08	2,002.08	2,002.08
	(b) Other equity	14	18,056.81	13,857.32	3,119.47
	Total equity		**20,058.89**	**15,859.40**	**5,121.55**
	Liabilities				
	Non-current liabilities				
	(a) Long term provisions	19	0.47	0.47	12.76
	(b) Other non-current liabilities	18	7,991.70	8,240.04	8,488.45
			7,992.17	**8,240.51**	**8,501.21**
	Current liabilities				
	(a) Financial liabilities				
	(i) Borrowings	15	81,773.01	81,768.18	81,763.10
	(ii) Trade payables	16			
	Total outstanding dues of micro enterprises and small enterprises		23.81	19.83	7.50
	Total outstanding dues of creditors other than micro enterprises and small enterprises		4,783.83	3,991.74	4,347.09
	(iii) Other financial Liabilities	17	7,725.77	7,723.16	7,722.04
	(b) Short term provisions	19	8.33	15.25	2.96
	(c) Other current liabilities	18	264.43	262.21	267.06
			94,579.18	**93,780.37**	**94,109.75**
	Total liabilities		**1,02,571.35**	**1,02,020.88**	**1,02,610.96**
	Total equity and liabilities		**1,22,630.24**	**1,17,880.28**	**1,07,732.51**

The accompanying notes are an integral part of the standalone financial statements
As per our report of even date

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No.101961W/W-100036

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: 31.05.2023

For and on behalf of the Board of Directors

Nand Kishore
Director
DIN No:08267502

Place: Delhi
Date: 31.05.2023

Sanjeev Seth
Managing Director
DIN No:07945707

Place: Chennai
Date: 31.05.2023

Feby Koshy Bin Koshy
Director
DIN No:08483345

Place: Mumbai
Date: 31.05.2023

Kaushik Modak
Director
DIN No:01266560

Place: Mumbai
Date: 31.05.2023

Saravanan Ranganathan
Chief Financial Officer

Place: Chennai
Date: 31.05.2023

Harshlatha J Lalwani
Company Secretary

Place: Chennai
Date: 31.05.2023

CN K & ASSOCIATES LLP CHARTERED ACCOUNTANTS CHENNAI

IL&FS TAMIL NADU POWER COMPANY LIMITED CHENNAI

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IL&FS TAMIL NADU POWER COMPANY LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ million, except share data and as stated

S.No	Particulars	Note no.	Year ended March 31, 2023	Year ended March 31, 2022
I	Revenue from operations	20	23,452.87	26,416.53
II	Other income	21	1,117.89	610.97
III	Total income (I+II)		**24,570.76**	**27,027.50**
IV	Expenses:			
	Cost of materials consumed	22	15,408.13	12,500.51
	Other direct expenses	23	887.60	664.59
	Employee benefits expense	24	239.42	221.82
	Finance costs	25	133.20	238.14
	Depreciation, amortisation and provision for impairment	26	1,983.91	1,509.32
	Other expenses	27	1,718.49	1,158.11
	Total expenses (IV)		**20,370.75**	**16,292.49**
V	Profit before tax (III-IV)		**4,200.01**	**10,735.01**
VI	Tax expense:			
	(1) Current tax	28		
	In respect of current year		-	-
	In respect of previous year		-	-
	(2) Deferred tax	28	-	-
			-	-
VII	Profit for the year (V-VI)		**4,200.01**	**10,735.01**
VIII	Other comprehensive income			
	i) Items that will not be reclassified to profit or loss			
	a) Re-measurement (loss)/gain on defined benefit plans, net of tax		(0.52)	2.84
	Total other comprehensive income		**(0.52)**	**2.84**
IX	Total comprehensive income for the year (VII+VIII)		**4,199.49**	**10,737.85**
X	Earnings per equity share (nominal value per share ₹ 10)			
	- For continuing operations			
	(a) Basic	38	₹ 20.98	₹ 53.62
	(b) Diluted		₹ 18.18	₹ 40.97

The accompanying notes are an integral part of the standalone financial statements
As per our report of even date

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No 101961W/W-100036

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: 31.05.2023

For and on behalf of the Board of Directors

Nand Kishore
Director
DIN No:08267502
Place: Delhi
Date: 31.05.2023

Sanjeev Seth
Managing Director
DIN No:07945707
Place: Chennai
Date: 31.05.2023

Feby Koshy Bin Koshy
Director
DIN No:08483345
Place: Mumbai
Date: 31.05.2023

Kaushik Modak
Director
DIN No:01266560
Place: Mumbai
Date: 31.05.2023

Saravanan Ranganathan
Chief Financial Officer
Place: Chennai
Date: 31.05.2023

Harshlatha J Lalwani
Company Secretary
Place: Chennai
Date: 31.05.2023

CNK & ASSOCIATES LLP CHARTERED ACCOUNTANTS CHENNAI

IL&FS TAMIL NADU POWER COMPANY LIMITED CHENNAI

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IL&FS TAMILNADU POWER COMPANY LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023
All amounts are in ₹ million, except share data and as stated

Particulars	Equity share capital		Reserves and surplus			Total reserves and surplus
			Securities premium account	Debenture redemption reserve	Retained earnings	
	No of shares	Amount	Amount	Amount	Amount	Amount
Restated balance as at April 01, 2021	20,02,07,764	2,002.08	37,626.82	16.95	(34,524.30)	3,119.47
Profit for the year	-	-	-	-	10,735.01	10,735.01
Remeasurement of defined benefit plans, net of tax	-	-	-	-	2.84	2.84
Balance as at March 31, 2022	**20,02,07,764**	**2,002.08**	**37,626.82**	**16.95**	**(23,786.45)**	**13,857.32**
Profit for the year	-	-	-	-	4,200.01	4,200.01
Remeasurement of defined benefit plans, net of tax	-	-	-	-	(0.52)	(0.52)
Balance as at March 31, 2023	**20,02,07,764**	**2,002.08**	**37,626.82**	**16.95**	**(19,586.96)**	**18,056.81**

Note:
Refer Note 35 for disclosure of changes in accounting policy and prior period errors

The accompanying notes are an integral part of the standalone financial statements
As per our report of even date

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No.101961W/W-100036

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: 31.05.2023

For and on behalf of the Board of Directors

Nand Kishore
Director
DIN No:08267502

Place: Delhi
Date: 31.05.2023

Sanjeev Seth
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Place: Chennai
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Director
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Place: Mumbai
Date: 31.05.2023

Saravanan Ranganathan
Chief Financial Officer

Place: Chennai
Date: 31.05.2023

Harshlatha J Lalwani
Company Secretary

Place: Chennai
Date: 31.05.2023

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IL&FS TAMIL NADU POWER COMPANY LIMITED
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ million, except share data and as stated

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
A. Cash flows from operating activities				
Profit before tax		**4,200.01**		**10,735.01**
Adjustments for :				
Depreciation and amortisation	1,983.91		1,971.88	
Reversal of provision of impairment of property, plant & equipment	-		(975.36)	
Provision for impairment of property, plant & equipment	-		512.80	
Finance costs	133.20		238.14	
Deferred income from government grants	(248.36)		(248.39)	
Interest income	(1,115.56)		(529.23)	
Provision for bad & doubtful debts (net)	1,216.83	**1,970.02**	713.61	**1,683.45**
Operating profit before working capital changes		**6,170.03**		**12,418.46**
Adjustments for changes in working capital				
Adjustments:				
Decrease / (increase) in trade receivables	4,858.99		(14,335.52)	
(Increase) / decrease in inventories	(2,797.45)		393.64	
(Increase) / decrease in other assets	6.62		(49.40)	
(Increase) in other financial assets	(121.05)		(296.08)	
Increase / (decrease) in trade payable	796.08		(343.01)	
(Decrease) / increase in other liabilities and provisions	(4.68)		(4.86)	
Increase in other financial liabilities	2.61	**2,741.12**	1.11	**(14,634.12)**
Cash generated from operating activities		**8,911.15**		**(2,215.66)**
Tax (paid) / refund received (net)		**(21.53)**		(76.19)
Net cash flows from operating activities		**8,889.62**		**(2,291.85)**
B. Cash flows from investing activities				
Purchase of property, plant and equipments	(16.95)		(65.21)	
Fixed deposits matured	0.74		1,172.96	
Bank balances considered as other than cash and cash equivalent	(9,827.32)		(16,218.18)	
Interest received	1,082.18		527.64	
Net cash used in investing activities		**(8,761.35)**		**(14,582.79)**
C. Cash flows from financing activities				
Finance costs	(128.37)		(233.07)	
Net cash used in financing activities		**(128.37)**		**(233.07)**
Net cash flows during the year (A+B+C)		**(0.10)**		**(17,107.71)**
Reconciliation				
Cash and cash equivalents at the beginning of the year		1.37		17,109.08
Cash and cash equivalents at the end of the year		**1.27**		1.37
Net (decrease) in cash and cash equivalents		**(0.10)**		**(17,107.71)**

Note:

The statement of cash flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of cash flows'

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

As per our report of even date

For and on behalf of the Board of Directors

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No.101961W/W-100036

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: 31.05.2023

Nand Kishore
Director
DIN No:08267502

Place: Delhi
Date: 31.05.2023

Sanjeev Seth
Managing Director
DIN No:07945707

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Place: Mumbai
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Chief Financial Officer

Place: Chennai
Date: 31.05.2023

Harshlatha J Lalwani
Company Secretary

Place: Chennai
Date: 31.05.2023

CNK & ASSOCIATES LLP CHARTERED ACCOUNTANTS CHENNAI

IL&FS TAMIL NADU POWER COMPANY LIMITED CHENNAI

1.1 Corporate information

IL&FS Tamil Nadu Power Company Limited ("ITPCL" or the "Company", having Company Identification Number U72200TN2006PLC060330) was incorporated on June 26, 2006 as a public limited company. The Company is the subsidiary of IL&FS Energy Development Company Ltd.

The Company was established for setting up a thermal based power project of 3600 Mega Watt (MW) at a facility in Parangipettai in Tamil Nadu. The project was envisaged in two phases - Phase I of 1,200 MW (in two units of 600 MW each) and the remainder in Phase II. Unit 1 of Phase I, of 600 MW, achieved COD (Commercial Operations Date) during the financial year 2015-16, and Unit 2 achieved COD (Commercial Operations Date) during the financial year 2016-17. The Company has entered into a Power Purchase Agreement ("PPA") in respect of Unit 1 with the Tamil Nadu Generation and Distribution Corporation Limited ("TANGEDCO"), for a period of 15 years effective June 1, 2014, and a PPA in respect of Unit 2 with PTC India Limited for a period of 3 years effective April 1, 2019.

The financial statements were approved for issue by the board of directors on May 31, 2023.

1.2 Significant developments at IL&FS and various group companies in FY 2018-19 and subsequently

1.2.1 Significant developments at IL&FS

Infrastructure Leasing & Financial Services Limited ("IL&FS" or the "Holding Company") reported defaults on its borrowing obligations during the financial year 2018-19. Further, the credit rating of IL&FS was downgraded to 'D' (lowest grade) in September 2018.

Pursuant to a report filed by the Registrar of Companies, Mumbai ("RoC") under Section 208 of the Companies Act, 2013, the Government of India vide their Order dated September 30, 2018, directed that the affairs of the Holding Company be investigated by the Serious Fraud Investigation Office ("SFIO"). SFIO commenced investigation of affairs of the Company. SFIO submitted an interim report under Section 212(11) of the Companies Act, 2013, on November 30, 2018.

The Union of India on October 1, 2018 filed a petition with the National Company Law Tribunal ("NCLT") seeking an order under section 242(2) and section 246 read with section 339 of the Companies Act, 2013 on the basis of the interim reports of the RoC and on the following grounds:

I. The precarious and critical financial condition of IL&FS and its group companies and their inability to service their debt obligations had rattled the money market.
II. On a careful consideration of the Union of India, it was of the opinion that affairs of IL&FS and its group companies were conducted in a manner contrary to the public interest due to its mis-governance; and
III. The intervention of the Union of India is necessary to prevent the downfall of IL&FS and its group companies and the financial markets.

It was felt that the governance and management change is required to bring back the IL&FS Group from Financial collapse, which may require, among other things, a change in the existing Board and management and appointment of a new management.

Based on the above petition, the NCLT vide its order dated October 1, 2018 suspended the erstwhile Board and appointed the New Board proposed by the Union of India.

The present constitution of the New Board is as follows:

1. Mr. C S Rajan, Chairman & Non - Executive Director (October 03, 2018)
2. Mr. Nand Kishore, Managing Director (October 01, 2018)
3. Dr. Malini Vijay Shankar, Non- Executive Director (October 01, 2018)
4. Mr. Gurumoorthy Mahalingam, Non- Executive Director (October 15, 2018)

CNK & ASSOCIATES LLP CHARTERED ACCOUNTANTS CHENNAI

IL&FS TAMIL NADU POWER COMPANY LIMITED CHENNAI

Further, applications were made by the Union of India and others, to the NCLT and the National Company Law Appellate Tribunal ("NCLAT") on various matters. The NCLAT, on October 15, 2018, ordered a stay until further orders on the following matters:

I. The institution or continuation of suits or any other proceedings by any party or person or bank or company against IL&FS and its group companies in any court of law/tribunal/arbitration panel or arbitration authority.

II. Any action by any party or person or bank or company etc., to foreclose, recover, enforce any security interest created over the assets of IL&FS and its group companies including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002.

III. The acceleration, premature, withdrawal, or other withdrawal, invocation of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, guarantees, letter of support, commitment or comfort and other financial obligations availed by IL&FS and its group companies.

IV. Suspension of temporarily any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, and any financial liability taken by IL&FS and its group companies.

V. Any and all banks and financial institutions from exercising the right to set off or lien against any amount lying with any creditor against any dues whether principal or interest or otherwise against the balance lying in any bank account and deposits whether current, savings or otherwise of IL&FS and itsgroup companies.

The NCLAT has vide its order dated March 12, 2020 approved the resolution framework. This has been dealt with in Note 1.2.2.

1.2.2 Resolution process proposed by new Board of Directors of the Holding Company

The New Board of Directors of the Holding Company (hereinafter, "New Board"), as part of the resolution process, has submitted several progress reports to the NCLT. This includes framework for a resolution plan and process, steps undertaken for monetization of assets, appointment of consultants, and classification of group entities based on their abilities to meet various financial and operational obligations, measures for cost optimization and protocol for making payments beyond certain limits.

As stated in Note 1.2.1, in terms of the NCLAT order, there is a moratorium on creditors from proceeding against IL&FS and its group entities, except under article 226 of the Constitution of India.

The resolution plan seeks a fair and transparent resolution for the Holding Company while keeping in mind larger public interest, financial stability, various stakeholders' interest, compliance with legal framework and commercial feasibility. It is proposed to have a timely resolution process which in turn mitigate the fallout on the financial markets of the country and restore investor confidence in the financial markets thereby serving larger public interest. IL&FS being a holding company and registered as a Core Investment Company (CIC) with RBI, depends on its group entities to continue operating as a going concern. The resolution plan and processes for various verticals are under way and options of restructuring business, as well as exits are planned. The plan of the management is to sell/exit from assets at the group entity as a goingconcern.

The IL&FS Group resolution involves resolution of 302 entities, operating across more than 10 distinct business verticals. When the new Board of Directors were appointed, the aggregate principal amount of the external fund based debt exposure of the IL&FS Group was in excess of Rs. 94,000 crore (in addition to non- fund based exposure of Rs. 5,100 crores). The New Board have been tasked by the Hon'ble NCLT with the resolution of this multi-layered group with various inter linkages.

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The New Board is pursuing vertical level, SPV level and asset level resolution plan. The assessment of the New Board, based on analysis of the current position of and challenges facing the IL&FS group, is that an Asset Level Resolution Approach serves the best interest of all stakeholders to achieve final resolution. Further, the stakeholders' interests will be considered.

The entities in the IL&FS group, have been classified into Indian and offshore entities. Further, the Indian IL&FS entities have been classified by an independent third party, into three categories of entities based on a 12-month cash flow based solvency test viz "Green", "Amber" and "Red", indicating their ability to repay both financial and operating creditors, only operating creditors, or only going concern respectively.

In this regard, ITPCL is classified as an "Amber" entity, indicating that it is not able to meet all obligations (financial and operational), but can meet only operational payment obligations and payment obligations to senior secured financial creditors. Accordingly, ITPCL is permitted to make only those payments necessary to maintain and preserve the going concern status.

The New Board has been following a three-pronged strategy - Resolve, Restructure and Recover - while adopting the approach of equitable distribution and balancing interests of stakeholders across the IL&FS Group under IBC and Corporate Finance principles to resolve the debt.

Taking into account the vast challenges facing the IL&FS Group, including the complexity posed by its structure, width of operating business, scale and levels of group –wide consolidated leverage, the New Board (in consultation with its advisors) has formulated a unique resolution framework as outlined in various progress reports and responses ("Resolution framework") which were submitted to the MCA for its consideration which in turn filed the same with Hon'ble NCLT and Hon'ble NCLAT as appropriate. The Resolution Framework covers a comprehensive process for implementing an "Asset level Resolution" for the Group. All such steps have been undertaken under section 241 and 242 of the Companies Act, 2013 and in consultation with the MCA.

The Resolution Framework contemplates a process which is fair and transparent and seeks to balance the interests of varied stakeholders across levels and is being undertaken under the supervision of a retired Supreme Court Judge as mandated by Hon'ble NCLAT. The Hon'ble NCLAT on March 12, 2020 approved the said Resolution Framework inter alia approving process and procedures as proposed.

Since taking charge on October 1, 2018, the New Board has initiated various measures to achieve the resolution of the IL&FS Group, including:

(i) Asset monetisation (as part of the 'Asset Level Resolution' in accordance with the Resolution Framework);

(ii) Liquidity management (including the solvency analysis and entity categorisation as well as cash build up) and cost optimisation measures; and debt restructuring efforts.

(iii) The Third Progress Report on the 'Proposed Resolution Framework for IL&FS Group' dated December 17, 2018 (Initial Resolution Framework), the Addendum dated January 15, 2019 thereto (First Addendum), and the Second Addendum dated December 5, 2019 (Second Addendum) (collectively, "Resolution Framework") have been filed with MCA which have in turn been filed with the National Company Law Appellate Tribunal ("NCLAT"). The Hon'ble NCLAT vide the March 12, 2020 Judgment approved inter alia the Resolution Framework and fixed the Cut-Off Date as October 15, 2018 for crystallization of liabilities of creditors. The Resolution Framework sets out the process to be followed for the resolution of IL&FS group entities including IL&FS, and also the manner in which interest of all stakeholder shall be managed in the process.

(iv) Further, the resolution of the entities in the IL&FS Group is being conducted under the supervision of Justice (Retd.) D.K. Jain, appointed by the Hon'ble NCLAT to oversee the resolution process for the IL&FS Group in terms of the orders passed by the Hon'ble NCLAT on February 4, 2019 and February 11, 2019.

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(v) It is to be noted that IL&FS Group entities (which are incorporated in India) have been classified into "Green", "Amber" and "Red", based on their ability to repay their debt obligations over a 12 month look forward testing period. This categorization (along with the principles pertaining to such classification) was filed by the Ministry of Corporate Affairs, Union of India with the Hon'ble NCLAT vide affidavits dated February 11, 2019 and March 12, 2019 and the categorization was last updated on August 08, 2019;

(vi) Hon'ble NCLAT vide order on February 11, 2019 had permitted "Green" entities (including any entities that may subsequently be classified as "Green") to discharge their debt obligations as per scheduled repayment. "Amber" and "Red" entities are permitted to only make payments necessary only to maintain and preserve the going concern status.

(vii) In this regard, the creditors' claims management is undertaken by the Claim Management Advisor ('CMA'). The Creditor claims in respect of IL&FS have been invited, verified and assessed for admissibility by the CMA, with a cut-off date of October 15, 2018 in line with NCLAT directions. This claims management process duly records the nature of security charge specific to each creditor.

(viii) As of date, the new board has initiated / completed asset monetization plan in respect of several investments / assets and other properties, which are in various stages of sale and resolution.

1.3 Application of new and revised Ind AS

The Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 on March 31, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023

Ind AS 101 – First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.

Ind AS 102 – Share-based Payment – modification relating to adjustment after vesting date to the fair value of equity instruments granted

Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.

Ind AS 107 – Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.

Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.

Ind AS 1 - Presentation of Financials Statements – modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.

Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of 'accounting estimate' and application of changes in accounting estimates.

Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.

Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'

The Company is evaluating the amendments and the expected impact, if any, on the Company's financial statements on application of the amendments for annual reporting periods beginning on or after 1 April 2023.

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1.4 Summary of significant accounting policies

A) Basis of preparation and presentation

a) Compliance with Ind-AS

The Standalone financial statements of the Company for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015, read with Companies (Indian Accounting Standards) as amended, read with the relevant notes below.

The financial statements are presented in Indian Rupees (Rs.) (its functional currency) and all values are rounded off to the nearest millions of Indian Rupees, except where otherwise indicated. Figures for the previous years have been regrouped /rearranged wherever considered necessary to conform to the current year classification.

b) Historical Cost convention

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

c) Going concern assumption

As on March 31, 2023 the Net worth of the Company is Rs. 20,058.89 (March 31, 2022 - Rs. 15,859.40). However, after considering non provision of interest (refer note 15.6) of Rs. 51,452.90 (March 31, 2022 - Rs. 38,843.82) the networth would be negative Rs. 31,394.01 (March 31, 2022 - Rs. 22,984.42). The Company also has mismatch in current liabilities at Rs. 94,579.18 (March 31, 2022 - Rs.93,780.37) Vs. current assets of Rs. 45,575.84 (March 31, 2022 - Rs. 37,970.52) for which the Company is taking adequate steps to meet the liabilities as and when they fall due.

Pursuant to the matter stated in Note 1.2, the IL&FS Group is evaluating sale of certain entities in the group and/or assets of such entities, including in relation to ITPCL. Pending the determination of this approach as regards ITPCL and outcome of the processes, it is not practically possible to determine the consequent effects of such process on the financial statements of the Company. These factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Net worth includes accumulated losses which are primarily due to the underutilization of Unit II of the power plant in the early period of its operations, in absence of a structured revenue generation mechanism. In this regard, the Company had entered into a Power Purchase Agreement in respect of Unit II for a period of three years, effective April 1, 2019, and has commenced power supply under the said power purchase agreement after year-end. This agreement has expired on 31.3.2022. Since expiry of this agreement, company is able to supply power through short term contract and exploring many such opportunities of power sale in the market. Further, the cash flows projections prepared by management covering the period up to financial year 2040-41 (i.e., co-terminus with the tenure of the Company's borrowings as of date), in respect of both Unit I and Unit II in the aggregate, shows net positive cash flows, based on which management is confident that the

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Company will be able to carry on its regular operations, generate sufficient cash flows from operations and pay its liabilities as they fall due, during the next 12 months and the foreseeable future.

Current liabilities includes the entire outstanding borrowing, Company is also going through debt restructuring process and on implementation of debt restructuring the outstanding principle amount shall be repayable in structured installments over a period of year and the interest liability would reduce significantly from the amount of Rs. 51,452.90 (March 31, 2022 - Rs.38,843.82) mentioned above. Mismatch in current liability and current assets is owing to classification of book debts of Rs. 15,333.44 (March 31, 2022 - Rs.16,490.33) to non-current asset basis the payment of arrears through instalment scheme. However the company has represented in various forums for early payment of dues and accordingly the book debts would be reclassified in future.

Accordingly, these financial statements have been prepared on the basis that the Company is a going concern and do not include any adjustments to the carrying value or classification of assets and liabilities as at March 31, 2023.

d) Significant accounting judgements, estimates andassumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods.

Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful life of Property, Plant &Equipment

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates

(ii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the 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. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 40.5.

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(iii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 37.

(iv) Impairment

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

Impairment of Non-financial assets: Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is higher of its fair value less costs of disposal & its value in use. The fair value less costs of disposal calculation is based on available data from binding sale transactions, conducted at arm's length for similar assets or observable market prices less incremental costs for disposing the asset. The value in use is based on a DCF model.

(v) Taxes

Determining of income tax liabilities using tax rates and tax laws that have been enacted or substantially enacted requires the management to estimate the level of tax that will be payable based upon the Company's/ expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

In respect of other taxes which are in disputes, the management estimates the level of tax that will be payable based upon the Company's / expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

(vi) Revenue

Revenue from operations on account of force majeure / change in law events in terms of Power Purchase Agreements with State Power Distribution Utilities, in certain cases is accounted for by the Company based on best estimates including orders / reports of Regulatory Authorities, which may be subject to adjustments on receipt of orders of the respective Regulatory Authorities or final closure of the matter with the customers.

(vii) Going concern assumption

These financial statements have been prepared on the basis that the Company will continue as a going concern for the foreseeable future. (refer note 1.4.A(c) for management's assessment regarding going concern, including related judgments involved).

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B) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

C) Property, Plant and Equipment (PP&E)

i. Land and building held for use in the production or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated are carried at cost less impairment losses, if any.

ii. Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset. Cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

iii. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

iv. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

v. Capital work-in-progress: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

vi. The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1,2015 under the previous GAAP as its deemed cost on the date of transition to Ind AS.

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vii. Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

The estimated useful life adopted by the company are mentioned below

Asset	Useful Life (in years)	Schedule II - Useful life (in years)
Data Processing Equipments - Server & Networking	4	6
Leasehold improvements incl. installations	Over the primary period of lease	Over the primary period of lease
Office equipment	5	5
Electrical Installation	10	10
Furniture & Fixtures	10	10
Plant & Machinery	40	40
Transmission Line	40	40
Buildings & Civil Structures	30	30
Hydraulic Works, Pipelines & Sluices	15	15
Bridges	30	30
Railway Siding & Track Hopper	15	15
Roads (non-carpeted) and drains	3	3
Vehicles - Cars	4	8
Vehicles - Cars used by employees	5	8
Vehicles - Motor cycles	8	10
Temporary structures at project site	From the date of completion to the estimated date of commencement of commercial operations.	

The Company, based on technical assessment made by management estimate, depreciates certain items over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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.

D) Intangible Assets

Ind AS 38, "Intangible Assets" requires that intangible assets be amortised over their expected useful lives unless their lives are considered to be indefinite. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with infinite useful life have not been amortised whereas it has been tested for impairment on annual rests.

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The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

The carrying amount of intangible asset is tested for impairment by comparing the carrying value with the asset's recoverable amount, which is higher of its value in use and its fair value less costs to sell. Should the carrying amount exceed the corresponding recoverable amount, an impairment charge equal to the difference between the carrying amount and the recoverable amount is recognised and reported in expense under "Depreciation, amortisation and impairment charges."

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April,01,2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Intangible Asset	**Useful life**
Computer software (other than SAP software below)	During the year of purchase or over the actual useful life
SAP Software	3 years

E) Impairment of non-financial assets

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, investment property, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and

(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net fair value less costs of disposal and the value in use. (The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the statement of profit and loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

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F) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income ('FVTOCI')
- Debt instruments and derivatives at fair value through profit or loss ('FVTPL')
- Equity instruments at fair value through profit or loss ('FVTPL') or at fair value through other comprehensive income ('FVTOCI')

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income ('OCI'). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Company does not have any debt instrument as at FVTOCI.

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Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Company does not have any debt instrument at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Company has classified its investments in mutual funds as Investments at FVTPL.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

Impairment of financial assets

The Company applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a

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significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the previous year is recognized as expenses in the statement of profit and loss ('P&L'). This amount is reflected under the head 'other expenses' in the P&L.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

Subsequent measurement

All financial liabilities except derivatives are subsequently measured at amortised cost using the effective interest rate 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.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure foreign currency risks.

Derivatives / forward contracts are initially recognised at fair value at the date the derivative / forward contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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Equity investment in Subsidiaries

Investment in subsidiaries are carried at cost in the separate financial statements as permitted under Ind-AS 27. Investment in subsidiaries are accounted under cost basis.

G) Derivative financial instruments & Hedge Accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to commodity price and foreign exchange rate risks, including foreign exchange forward contracts and commodity options.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are capitalised as fair value of underlying is been capitalised. The gain or loss relating to the ineffective portion is recognized immediately in the profit or loss, and is included in the 'Other income or other expense' line item. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting.

H) Foreign Currency Transactions

In preparing the financial statements of the company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For transition to Ind AS, Company has availed exemption under Ind AS 101 for the long-term foreign currency monetary items outstanding as on the date of transition to be accounted under the provision of previous GAAP. Hence the exchange fluctuations pertaining to the long-term foreign currency monetary item outstanding as on the transition date is been capitalised if it is pertaining to the acquisition of asset and in other cases accumulated in the foreign currency monetary item translation reserve and annualised over the period ofoutstanding.

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Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

• Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

• Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see above for hedging accounting policies);

• Exchange differences on long term foreign currency monetary item outstanding as on the transition date.

• For amounts to be settled in foreign currency as on October 15, 2018 are carried at the exchange rate prevailing on that date

I) Inventories

Inventories other than by products are stated at the lower of cost and net realizable value. Inventories of by-products are valued at net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventories are valued at weighted average basis.

J) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current

K) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market.

The principal or the most advantageous market must be accessible by the company. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The company- uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are 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

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At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's - accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. Also refer Note 40.

L) Government grants

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Where Government grants relates to assets, the cost of assets are presented at gross value and grant thereon is recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Grants related to income are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for. Also refer Note 48.

M) Revenue Recognition

Revenue is recognised at transaction price when:

- the Company satisfies a performance obligation by transferring control of a promised goods / services to a customer; and
- it is probable that the Company will collect the consideration to which it will be entitled to in exchange for the goods or services that will be transferred to the customer.

The Company satisfies the performance obligation by transferring control of promised goods or services to a customer and 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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from Power Supply

Revenue from Sale of Power is recognised on accrual basis based on the actual energy exported by the Company during the relevant accounting period, at the tariff / rate agreed upon with the relevant customer in the contract / agreement and it is probable that the Company will collect the consideration to which it is entitled. The transmission charges, wheeling and other charges recovered from the customers for the energy supplied is also recognised as revenue and the matching amounts paid / payable to the transmission utility is recognised as expenses.

The Company's contracts with customers for the sale of electricity generally include only one performance obligation. The Company has concluded that revenue from sale of electricity should be recognised at the point in time when electricity is supplied to the customer.

The surcharge on late payment / overdue receivables and other taxes which are recoverable is recognized on accrual basis, based on contractual terms and/or commercial considerations, at transaction value basis.

ii) Interest income is recognised on Effective Interest Rate (EIR) basis.

iii) Income from sale of scrap/By products is accounted for on realisation.

iv) Insurance claims are accounted on acceptance of claims by insurance company.

vi) Rental Income is accounted for on straight line basis based on the agreement entered with the lessee.

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N) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred borrowing cost has been computed based on the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

O) Retirement and other employee benefits

Short-term benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other long-term employee benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains / losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

i. Post-employment benefits

The Company operates the following post-employment schemes:

a. <u>Gratuity</u>

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

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Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs and
- Net interest expense or income.

b. Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service

P) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue

Q) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

R) Earnings per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

S) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is

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virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

T) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

U) Cash flows statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

V) Segment reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products / services. The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses

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Note 2 (a) Property, Plant and Equipment

Particulars	Land (owned)	Temporary structures at project site	Roads	Hydraulics works, pipelines and sluices	Bridge Work	Railway Siding & Track Hopper	Transmission Line	Factory building	Furniture and fixtures	Vehicles	Office equipments	Plant and machinery	Computers	Total
Gross carrying value														
As at April 01, 2021	3,605.19	3.53	303.49	2,937.02	50.23	1,981.19	2,512.90	7,062.08	61.40	5.18	29.36	96,543.44	19.36	1,15,114.37
Additions	-	-	-	-	-	-	-	0.31	0.15	1.56	0.37	60.42	2.02	64.83
Additions - stores & spares capitalisation	-	-	-	-	-	-	-	-	-	-	-	446.73	-	446.73
Deletion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	**3,605.19**	**3.53**	**303.49**	**2,937.02**	**50.23**	**1,981.19**	**2,512.90**	**7,062.39**	**61.55**	**6.74**	**29.73**	**97,050.59**	**21.38**	**1,15,625.93**
Additions	-	-	-	-	-	-	-	0.02	0.17	0.08	1.85	12.83	2.00	**16.95**
Additions - Component capitalisation	-	-	-	-	-	-	-	-	-	-	-	155.03	-	**155.03**
Deletion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	**3,605.19**	**3.53**	**303.49**	**2,937.02**	**50.23**	**1,981.19**	**2,512.90**	**7,062.41**	**61.72**	**6.82**	**31.58**	**97,218.45**	**23.38**	**1,15,797.91**

Particulars	Land (owned)	Temporary structures at project site	Roads	Hydraulics works, pipelines and sluices	Bridge Work	Railway Siding & Track Hopper	Transmission Line	Factory building	Furniture and fixtures	Vehicles	Office equipments	Plant and machinery	Computers	Total
Accumulated depreciation and impairment loss														
As at April 01, 2021	1,522.55	3.53	278.61	1,568.66	8.66	1,018.18	1,015.55	2,846.90	46.13	0.95	22.71	43,634.64	16.40	**51,983.48**
Depreciation expense	-	-	6.61	123.34	1.56	90.96	39.77	154.22	2.06	0.66	3.10	1,548.39	1.13	**1,971.80**
Impairment (Refer Note below)	-	-	-	-	-	-	-	-	-	-	-	512.80	-	**512.80**
Reversal of Impairment	(975.36)	-	-	-	-	-	-	-	-	-	-	-	-	**(975.36)**
As at March 31, 2022	**547.19**	**3.53**	**285.22**	**1,692.00**	**10.22**	**1,109.14**	**1,055.32**	**3,001.12**	**48.19**	**1.61**	**25.81**	**45,695.83**	**17.53**	**53,492.72**
Accumulated depreciation and impairment loss														
Depreciation expense	-	-	3.09	123.33	1.56	90.96	39.77	154.25	2.08	0.68	1.39	1,549.95	1.50	**1,968.56**
Depreciation expense - component capitalisation	-	-	-	-	-	-	-	-	-	-	-	15.25	-	**15.25**
Impairment (Refer Note below)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	**547.19**	**3.53**	**288.31**	**1,815.33**	**11.78**	**1,200.10**	**1,095.09**	**3,155.37**	**50.27**	**2.29**	**27.20**	**47,261.03**	**19.03**	**55,476.53**
Net Carrying amount as at April 01, 2021	**2,082.64**	**-**	**24.88**	**1,368.36**	**41.57**	**963.01**	**1,497.35**	**4,215.18**	**15.26**	**4.23**	**6.65**	**52,908.80**	**2.96**	**63,130.89**
Net Carrying amount as at March 31, 2022	**3,058.00**	**-**	**18.27**	**1,245.02**	**40.01**	**872.05**	**1,457.58**	**4,061.27**	**13.35**	**5.13**	**3.92**	**51,354.76**	**3.85**	**62,133.21**
Net Carrying amount as at March 31, 2023	**3,058.00**	**-**	**15.18**	**1,121.69**	**38.45**	**781.09**	**1,417.81**	**3,907.04**	**11.45**	**4.53**	**4.38**	**49,957.42**	**4.35**	**60,321.38**

Movement of Impairment:

Particulars	As at 31-03-2023	As at 31-03-2022	As at 01-04-2021
Opening balance as at the beginning of the year	39,065.66	39,528.16	33,916.76
Created during the year (refer note below)	-	512.80	5,611.40
Reversed during the year (refer note below)	-	(975.30)	-
Closing balance as at the end of the year	**39,065.66**	**39,065.66**	**39,528.16**

The Company has constructed a thermal based power project of 1200 Mega Watt (MW) in two units (Unit I and Unit II) of 2 X 600 MW each (during Phase I). Unit I achieved its Commenced Operations Date ("COD") in the year 2015-16, and Unit II achieved COD in the year 2016- 17. The Company entered into a Power Purchase Agreement ("PPA") with TANGEDCO in respect of Unit I, for a period of 15 years, effective June 01, 2014. In respect of Unit II, the Company has entered into a PPA effective April 1, 2019, for a period of 3 years.

Management performed an assessment of the recoverable amount of the above-mentioned Cash Generating Unit (CGU), and related provision for impairment, as at March 31, 2023, under the requirements of Ind-AS 36, 'Impairment of Assets'. The Management obtained a third-party valuation on a Fair Market Value less cost of disposal of the CGU and also calculated value in use based on present value of future cash flows. On comparing the two methods, though the value in use is higher than the carrying value of the CGU, the difference in the value is marginal and hence no impairment provision or reversal has been considered in current financial year.
The Company has provided an impairment loss provision during the previous year ended March 31, 2022 - Rs. 512.80

In respect of land the recoverable value is higher than the carrying value. Accordingly, out of the total impairment loss of earlier years of Rs. 1,522.55, an amount of Rs. 975.30 reversed during the previous year ended March 31, 2022.

Note:
a) Refer Note 15 for charge created on Property, Plant and Equipment.
b) All the title deeds of immovable properties as on March 31, 2023 and March 31, 2022 are held in the name of the Company
c) Stores capitalised during the year Rs. 155.03 (March 31, 2022 - Rs. 446.73)

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Note 2 (a1) Capital Work-in-progress

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Capital work-in-progress	331.82	331.82	331.82
Impairment provision (refer note below)	(331.82)	(331.82)	(331.82)
Reversal of impairment	-	-	-
Closing balance as at the end of the year	-	-	-

Note:
As at March 31, 2021 the company carried CWIP of Rs 331.82 (net of impairment provisions till that date) in the financial statements representing costs incurred towards construction of a jetty near the Company's power plant in Tamil Nadu. During the financial year 2020-21, based on the status of the project, funding requirements and other factors, the Company has recognised a provision for impairment for the entire balance of CWIP amounting to Rs. 331.82.

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IL&FS TAMILNADU POWER COMPANY LIMITED
Notes to the Standalone Financial Statements
for the year ended March 31, 2023

IL&FS | Energy

All amounts are in ₹ million, except share data and as stated

Note 3: Other Intangible Assets
Computer Software

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Gross carrying value			
Balance at beginning of the year	124.38	124.02	124.02
Additions	-	0.36	-
Disposals	-	-	-
Balance at end of year	**124.38**	**124.38**	**124.02**

Accumulated depreciation and impairment	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balance at beginning of year	123.74	123.66	123.66
Eliminated on disposals	-	-	-
Amortisation expense	0.10	0.08	-
Balance at end of year	**123.84**	**123.74**	**123.66**
Net carrying amount at the end of the year	**0.54**	**0.64**	**0.36**

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Note 4:Financial Assets: Investments

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
I)Investments in Subsidiaries			
Unquoted Investments			
Investments in Equity Instruments at Cost			
4,32,79,626 (2022 - 4,32,79,626) shares of US$ 1 each fully paid up in ILFS Maritime Offshore Pte Ltd, Singapore (Refer note 41)	2,355.10	2,355.10	2,355.10
Less: Provision for Impairment (Refer note 41)	(1,742.64)	(1,742.64)	(1,742.64)
Total Investments in Subsidiaries	**612.46**	**612.46**	**612.46**
II) Investments in Joint Venture			
Unquoted Investments			
Investments in Joint venture at Cost			
17,600(2022 - 17,600)equity shares of ₹ 10/- fully paid up in Cuddalore Solar Power Private Limited	0.18	0.18	0.18
Less: Provision for Impairment	(0.18)	(0.18)	(0.18)
Total Investments in Joint Venture	-	-	-
III) Other Investments			
Investment in Government securities			
National Savings Certificate	0.12	0.12	0.12
Total Other Investments	**0.12**	**0.12**	**0.12**
Total Non-Current Investments	**612.58**	**612.58**	**612.58**
Aggregate amount of Unquoted Investments (cost)	2,355.40	2,355.40	2,355.40
Aggregate amount of impairment in value of investments	1,742.82	1,742.82	1,742.82
Aggregate amount of carrying value of investments	612.58	612.58	612.58

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Note 5. Trade Receivables

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Trade Receivables			
Secured, considered good	-	-	-
Unsecured, considered good	27,318.43	30,680.45	18,749.28
Unbilled revenue - considered good	1,566.24	4,280.04	2,589.30
Having significant increase in credit risk	-	-	-
Credit impaired (Refer note 5.2 and 5.4 below)	5,475.93	4,259.10	3,546.08
Loss allowance (ECL) - credit impaired (Refer note 5.4 below)	(5,475.93)	(4,259.10)	(3,546.08)
	28,884.67	**34,960.49**	**21,338.58**
Current	**13,551.23**	**18,470.16**	**19,117.63**
Non-current	**15,333.44**	**16,490.33**	**2,220.95**

Ageing schedule

Outstanding for following periods from due date of payment

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(i) Undisputed Trade Receivables			
a) Considered good			
Not due	859.39	674.09	1,805.71
Less than 6 Months	1,386.42	11,251.43	3,545.80
6 Months - 1 Year	2,653.72	10,322.43	8,354.65
1-2 Years	20,290.95	7,367.83	3,765.33
2-3 years	2,002.66	1,376.13	4,570.53
More than 3 years	600.79	2,328.23	74.15
Total	**27,793.94**	**33,320.14**	**22,116.17**
b) Unbilled			
Not due	1,566.24	2,187.32	2,589.30
c) Significant increase in credit risk	-	-	-
d) Credit Impaired	-	-	-
(ii) disputed Trade Receivables			
a) Considered good			
Not due	220.25	-	-
Less than 6 Months	698.05	1,440.21	2.95
6 Months - 1 Year	2,462.71	2.95	13.22
1-2 Years	1,443.17	13.22	159.41
2-3 years	13.22	159.41	3.61
More than 3 years	163.02	3.61	
b) Unbilled			
Not due	-	2,092.73	-
c) Significant increase in credit risk	-	-	-
d) Credit Impaired	-	-	-
	5,000.42	**3,712.13**	**179.19**
Total (i+ii)	34,360.60	39,219.59	24,884.66
Less: Loss allowance	(5,475.93)	(4,259.10)	(3,546.08)
Total receivable	**28,884.67**	**34,960.49**	**21,338.58**

5.1.The average credit period on sale of power ranges from 30 to 75 days. As per the Article 8.3.5 of Long-Term Power Purchase Agreement (PPA) with Tamil Nadu Generation and Distribution Corporation Limited ('TANGEDCO'), no interest is charged on trade receivables for the first 30 days. Thereafter late payment surcharge is payable at the rate equal to SBIPLR per annum upto the period 03.06.2022 and from the date 03.06.2022 as per the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 issued by Ministry of Power (MOP).

SBIPLR means the prime lending rate per annum as fixed from time to time by the State Bank of India. In the absence of such rate, SBIPLR means any other arrangement that substitutes such prime lending rate as mutually agreed to by the Parties. SBIPLR for the year was 12.30% p.a. upto 03.06.2022 (Previous year 12.15% to 12.30% p.a.) and
from the 03.06.2022 at the marginal cost of funds based on lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus 5.00% and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify and the rate of Late Payment Surcharge for the successive months of default shall increase by 0.5% for every month of delay provided that the Late Payment Surcharge shall not be more than 3.00% higher than the base rate at anytime, Provided that the rate, at which Late Payment Surcharge shall be payable, shall not be higher than the rate of Late Payment Surcharge specified in the agreement, if any. Rate of late payment surcharge from 03.06.2022 was in the range of 12.00% to 14.85%

As per article 24.4 of Medium term PPA with PTC India Limited ('PTC'), in the event of delay beyond such period, late payment surcharge shall be payable at the rate equal to 5% above the bank rate. The interest rate for the current year was in the range of 9.25% to 9.65% p.a. (March 31, 2022 - 9.25% p.a).

The Company follows practical expedient by computing expected credit loss allowance on trade receivables based on customer specific provision. This provisioning takes into account historical credit loss forward looking information.

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

For charge created on receivables, refer note 15.

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5.2. Reconciliation of Provision/ Impairment for receivables

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening balance as at the beginning of the year	4,259.10	3,545.49	2,314.02
Created during the year	1,307.33	3,761.56	1,242.96
Reversed during the year	(90.50)	(3,047.95)	(10.90)
Closing balance as at the end of the year	5,475.93	4,259.10	3,546.08

Consequent to TANGEDCO confirming the LPSC dues payable as on March 31, 2022, the Company has reviewed the expected credit loss provision made towards the same in past years and consequently reversed the same during previous year

5.3.Credit concentration

As at March 31, 2023, out of total trade receivables (net of provisions), 69.68% (As at 31st March, 2022 - 80.55%) pertains to dues from State Distribution Company under Long Term Power Purchase Agreement ("PPA"), 22.53% (As at 31st March 2022 - 19.45%) from PTC India Limited and 7.72% (As at 31st March 2022 - Nil) from Short term PPA and others.

5.4.Expected Credit Loss (ECL)

Majority of the Company's receivables relates to power supply to State Electricity Distribution Company which is a Government undertaking.

Expected credit loss provision of Rs. 5,475.93 being the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

5.5.Customer balances which represents more than 5% of total balance of trade receivable (net of provisions)

Particulars	As at 31-03-203	As at March 31, 2022	As at April 01, 2021
TANGEDCO	69.68%	80.55%	78.40%
PTC INDIA LIMITED	22.53%	19.45%	21.60%

5.6 Undisputed amount:

For recovery of undisputed amount, the Company has been regularly following up for payment and also took up the matter with regulators including Ministry of Power, Government of India (GOI). TANGEDCO has communicated to the company that it has accepted Late Payment Surcharge (LPSC) scheme notified by the Ministry of Power, GOI on June 03, 2022 towards settlement of long pending outstanding amounts in 48 instalments beginning from August 2022. Accordingly the amount receivable is Rs. 17,293.56 as on 31.03.2023 and realisable annually Rs. 5,188.07 for the next three years and balance amount of Rs. 1,729.35 in the fourth year.

However, Company is making efforts for early recovery of payments and has taken up the matter with TANGEDCO/Ministry of Power.

Management is confident of its recovery of the dues in full and adequacy of provisions made towards expected credit loss

5.7 Disputed amount:

An amount of Rs. 5,523.10 relating to capacity charges billed to TANGEDCO and Rs. 2,093.00 claimed from PTC India Ltd., (PTC) as compensation for the period for which power supply was regulated for their non-payment of dues. In respect of the above claims, the Company has filed the petition with CERC and the hearing is under going. The Company has made appropriate ECL provision.

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Note 6 Other Financial Assets

Particulars	Non-current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
At Amortised Cost						
(a) Security Deposits	18.92	18.92	18.92	165.18	323.77	12.81
(b) Interest receivable	133.19	100.68	73.30	249.91	23.09	57.67
(c) Bank deposits due to mature after 12 months of the reporting date*	325.22	325.96	1,498.92	-	-	-
(d) Fixed Deposits under lien:						
with Statutory authorities*	119.17	119.17	125.52	-	-	-
(e) Rent receivable	-	-	-	5.48	5.48	5.42
(f) Balance with government authorities	-	-	-	45.58	25.27	26.63
	596.50	**564.73**	**1,716.66**	**466.15**	**377.61**	**102.53**

*The Company has placed fixed deposit of Rs. 339.13 (PY Rs. 339.13) as margin towards bank guarantee and Debt Service Reserve Account (DSRA)

Note 7 Other Assets

Particulars	Non-current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Prepaid expenses	26.79	-	6.20	94.31	105.32	51.52
(b) Employee advance*	-	-	-	0.00	1.70	-
(c) Advances to suppliers	-	-	-	111.84	133.48	137.87
(d) Gratuity Plan Assets	-	-	-	8.69	8.27	0.95
(e) Advance interest	-	-	-	326.64	326.64	326.64
(f) Other receivables	-	-	-	6.18	6.18	6.18
	26.79	**-**	**6.20**	**547.66**	**581.59**	**523.16**

*Amount less than 0.01

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Note 8 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Fuel			
Coal including goods in transit of Rs. nil (goods in transit as on March 31, 2022: Rs. nil)	3,586.21	1,045.52	1,450.34
Light diesel oil including goods in transit of Rs. nil (goods in transit as on March 31, 2022: Rs. nil)	30.30	23.75	21.31
Lime Stone including goods in transit of Rs. nil (goods in transit as on March 31, 2022: Rs. nil)	12.56	2.83	15.30
(b) Stores and spares including goods in transit of Rs. nil (goods in transit as on March 31, 2022: Rs. nil)	621.55	536.10	961.62
	4,250.62	**1,608.20**	**2,448.57**

a) Refer Note 15 for Inventories pledged as security for liabilities
b) There is no writedown of inventories

Note 9 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques, drafts on hand and does not include balances with banks in earmarked accounts (Refer note 10). Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Balances with banks			
(i) On Current account	1.27	1.36	170.02
(ii) Deposits with original maturity of less than 3 months	-	-	16,939.06
(b) Cash on hand	0.00	0.01	-
	1.27	**1.37**	**17,109.08**

9.1. Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

Particulars	As at 1st April, 2022	Net cash flows	Exchange (gain)/Loss	Others (non-cash flow changes)	As at 31st March, 2023
Current borrowings	81,768.18	-	-	4.83	81,773.01

Particulars	As at 1st April, 2021	Net cash flows	Exchange (gain)/Loss	Others (non-cash flow changes)	As at 31st march, 2022
Current borrowings	81,763.10	-	-	5.08	81,768.18

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Note 10 Bank balances other than cash and cash equivalents#

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
a) Balances with banks in earmarked accounts			
- In escrow account with security agent of long term lenders	2,180.58	16,061.00	713.41
b) In deposit accounts (with original maturity period of more than 3 months but remaining maturity less of than 12 months)*	10,154.25	870.59	-
c) Deposits with original maturity of less than 3 months*	14,424.08	-	-
	26,758.91	**16,931.59**	**713.41**

#The Company has an escrow account with Punjab National Bank (Large Corporate Branch) escrow agent, on behalf of all the term loan lenders of the Consortium. As part of the agreement, the balances with the escrow account agent are part of the security structure in favour of lenders and hence its usage is restricted to payments as approved by the lenders.

*The Company has placed fixed deposit of Rs. 192.56 (PY Rs. 192.56) as margin towards bank guarantee and Debt Service Reserve Account DSRA).

Deposit with original maturity of less than 3 months will be credited to the Escrow account on maturity, hence, considered as bank balance other than cash and cash equivalents.

NOTE 11. Loans

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
At Amortised Cost			
Current			
a. Loans to related parties (Refer note below)			
- Unsecured, considered good	-	-	-
Less: Impairment allowance for doubtful loans	-	-	-
- Doubtful	4,410.27	4,410.27	4,410.74
Less: Impairment allowance for doubtful loans	(4,410.27)	(4,410.27)	(4,410.74)
b. Accrued interest on loan (Refer note below)			
- Doubtful	2,173.10	2,173.10	2,172.63
Less: Impairment allowance for doubtful loans	(2,173.10)	(2,173.10)	(2,172.63)
	-	-	-

Note:
The Company had given a foreign currency loan of USD 60 million to its wholly owned subsidiary carrying a rate of interest 7% p.a. The Loan including accrued interest was repayable on maturity (i.e,31st March 2019). The loan has not been paid as of date and the entire balance has been impaired during the year ended March 31, 2021. Also refer Note 41.

Note 12 Tax assets and liabilities

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Tax assets			
Advance tax (including tax deducted at source and net of provision for taxes)	163.17	108.27	30.49
	163.17	**108.27**	**30.49**

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Note 13 Equity Share Capital

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
AUTHORISED EQUITY SHARE CAPITAL			
Equity Shares: 5,00,10,00,000 Equity Shares of ₹ 10 each (March 31, 2022 - 5,00,10,00,000 equity shares of 10 each)	50,010.00	50,010.00	50,010.00
ISSUED, SUBSCRIBED AND FULLY PAID UP CAPITAL			
20,02,07,764 Equity Shares of ₹ 10 each (March 31, 2022 - 20,02,07,764)	2,002.08	2,002.08	2,002.08
	2,002.08	**2,002.08**	**2,002.08**

13.1 Reconciliation of number of shares and amount outstanding

Reconciliation	2022-23		2021-22	
	No of Shares	In ₹	No of Shares	In ₹
Equity Shares of ₹ 10 each fully paid up				
At the beginning of the year	20,02,07,764	2,00,20,77,640	20,02,07,764	2,00,20,77,640
Allotment of shares during the year	-	-	-	-
At the end of the year	**20,02,07,764**	**2,00,20,77,640**	**20,02,07,764**	**2,00,20,77,640**

13.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Share holder	No of shares held as at					
	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	%	Nos.	%	Nos.	%
IL&FS Energy Development Company Ltd	16,07,97,509	80.31%	16,07,97,509	80.31%	16,07,97,509	80.31%
A.S.Coal Resources Pte Ltd, Singapore (refer note 50)	1,51,72,256	7.58%	1,51,72,256	7.58%	1,51,72,256	7.58%
Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)	2,42,37,999	12.11%	2,42,37,999	12.11%	2,42,37,999	12.11%

13.3 Shareholding of promoters & promoter group, ultimate holding company and holding company :

Name of the shareholder	As at March 31, 2023		
	No. of shares held	% of total shares	% of change during the year
IL&FS Energy Development Company Ltd	16,07,97,509	80.31%	Nil
Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)	2,42,37,999	12.11%	Nil

Name of the shareholder	As at March 31, 2022		
	No. of shares held	% of total shares	% of change during the year
IL&FS Energy Development Company Ltd	16,07,97,509	80.31%	Nil
Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)	2,42,37,999	12.11%	Nil

Name of the shareholder	As at Aprial 01, 2021		
	No. of shares held	% of total shares	% of change during the year
IL&FS Energy Development Company Ltd	16,07,97,509	80.31%	Nil
Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)	2,42,37,999	12.11%	Nil

13.4 Terms attached to Equity Shares:

The Company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity Share is entitled to one vote per share. The company declares dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.

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

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Note 14 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Securities Premium reserve	37,626.82	37,626.82	37,626.82
Debenture Redemption reserve	16.95	16.95	16.95
Retained Earnings	(19,586.96)	(23,786.45)	(34,524.30)
Total	**18,056.81**	**13,857.32**	**3,119.47**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Securities Premium Account			
Opening balance	37,626.82	37,626.82	37,626.82
Add : Addition during the year	-	-	-
Less : Utilised during the year	-	-	-
Closing balance	**37,626.82**	**37,626.82**	**37,626.82**
(b) Debenture Redemption Reserve			
Opening balance	16.95	16.95	16.95
Add: Addition during the year	-	-	-
Less: Utilised during the year	-	-	-
Closing balance	**16.95**	**16.95**	**16.95**
(c) Retained Earnings			
Opening Balance	(23,786.45)	(34,524.30)	(36,357.35)
Add : Profit for the year	4,200.01	10,735.01	1,861.58
Add : Remeasurement (loss)/gain of defined benefit plans, net of tax	(0.52)	2.84	3.03
Less : Restatement impact due to change in accounting policy refer note 35	-	-	(31.56)
Closing Balance	**(19,586.96)**	**(23,786.45)**	**(34,524.30)**
Total Other equity	**18,056.81**	**13,857.32**	**3,119.47**

Nature and purpose of reserves:

Securities Premium Reserve:
Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve:
The company is required to create a Debenture Redemption Reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Retained Earnings:
Retained Earnings are the profits of the Company earned till date net of appropriations.

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Note 15 Borrowings

Particulars	Non-Current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Current maturities (Refer note 15.11)						
Loans repayable on demand						
Secured - At amortised cost						
(i) Debentures (Refer Note 15.1, 15.6, 15.7 and 15.9)	-	-	-	5,206.12	5,206.12	5,206.12
(ii) Term Loans (Refer Note 15.2 and 15.10) (For interest accrued refer note 15.6 and 15.9)						
- From Banks	-	-	-	49,023.49	49,018.66	49,013.58
-From Financial Institutions	-	-	-	6,600.02	6,600.02	6,600.02
(iii) Working capital loans (Refer Note 15.2 and 15.10) (For interest accrued refer note 15.6 and 15.9) - From Banks (refer note 15.5)	-	-	-	8,519.83	8,519.83	8,519.83
Unsecured - at amortised cost						
(i) Debentures from related party (refer note 15.6 and 15.8)	-	-	-	4,743.87	4,743.87	4,743.87
(ii) Term loan from related party (Refer Note 15.3 and 15.4) (For interest accrued refer note 15.6, 15.8 and 15.9)	-	-	-	7,679.68	7,679.68	7,679.68
Total	-	-	-	**81,773.01**	**81,768.18**	**81,763.10**

Note:
Refer Note 35 for disclosure of changes in accounting policy and prior period errors

15.1.Non convertible debentures

Consequent to the approval of Board of Directors of the Company at their meeting held on November 28, 2016, the Company raised funds by way of private placement of 5,000 Secured, unlisted, redeemable non convertible debentures having face value of Rs. 10,00,000 aggregating Rs. 5,000. Birla Sunlife Trustee Company Private Limited subscribed for these debentures. The NCD was raised based on the undertaking given by IL&FS Energy Development Company Limited. Non Convertible Debentures carries a rate of interest of 9.80% p.a. These NCD's repayable in two instalments of Rs. 2,500 each on March 16, 2020 and March 14, 2021 respectively.

15.2.Rupee Term Loan:

Loans repayable on demand from banks represents principal outstanding together with interest, additional interest, default interest, upfront fees, costs, charges, expenses are secured in favour of the lenders/security trustees by way of first pari-passu charge without any lender having priority/preference over the other lender and include the following:

(a) A first charge over all the immovable properties of the Company including leasehold rights if any both the present & future.

(b) A first charge by way of hypothecation on all moveable assets including but not limited to plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets both present and future.

(c) A first charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising.

(d) A first charge over all Accounts, including without limitation, the Debt Service Reserve Account, the Escrow Accounts, letter of credits, and other reserves and such other Bank Accounts that may be opened in terms of hereof or project documents and over all the funds from time to time deposited therein and over all Authorised Investments or other securities representing all amounts credited thereto.

(e) First Charge by way of mortgage/hypothecation/assignment or otherwise creation of Security interest within 6 months from the date of initial disbursement (a) all right, title benefit, claims and whatsoever of the Company on the Project Documents (b) all rights, title and interest of the Company under all Government Approvals (c) all rights, title, benefit, claims and demand whatsoever of the Company in any Letter of Credit, guarantee and liquidated damages and performance bond provided by any party to the Project Documents (d) all rights, title and interest of the Company in, to and under all Insurance Contracts / Insurance Proceeds.

(f) Non disposal undertaking from the promoter viz. IL&FS Energy Development Company Limited to hold at least 51% of the Paid up capital of the Company.

(g) Pledge of 100% shares of IL&FS Maritime Offshore Pte limited and IL&FS offshore Natural Resources Pte limited held by the company.

(h) There is no loan which is guaranteed by directors or others.

Rate of interest:

As on March 31, 2023, the term loan facility carries a rate of interest calculated at 5 year MCLR(8.45%) of Punjab national bank + 1.95% i.e. 10.40% p.a. The rate of interest shall remain floating throughout the tenor of the loan.

Terms of repayment

Repayable on quarterly instalments till 30.06.2037.

Breach of Loan agreement

Payments towards interest and principal have not been met since October 2018 based on order passed by Honourable NCLAT. Also refer Note 46 and Note 1.2.

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15.3.Term Loan from related party

Consequent to the approval of the Board of Directors of the Company at their meeting held on March 23, 2017, the company had availed an unsecured term loan of ₹ 3,270 from M/s. IL&FS Energy Development Company Limited carrying a rate of 15.50% per annum. 30% of loan amount repayable at the end of 4 the year as first instalment, 30% of loan amount repayable at the end of 5 the year as second instalment and the balance of 40% of loan amount repayable at the end of 6th year as third and final instalment. During the financial year 2018-19 the Company has adjusted the deposit placed with IEDCL along with accrued interest of ₹352.28 towards repayment of loan.

Consequent to the approval of the Board of Directors of the Company at their meeting held on March 29, 2017, the company had availed an unsecured term loan of ₹1,650 from M/s. IL&FS Energy Development Company Limited carrying a rate of 15.50% per annum repayable within two years from the date of disbursement.

Consequent to the approval of the Board of Directors of the Company at their meeting held on March 29, 2017, the company had availed an unsecured term loan of ₹ 330 and ₹ 720 respectively from M/s. IL&FS Energy Development Company Limited carrying a rate of 16% per annum compounded quarterly repayable within two years from the date of disbursement.

The Company has accrued interest on loans from related parties only till 15.10.2018 based on advisory issued by IL&FS Group. The Company has netted off the margin money deposit and interest accrued on such margin money deposit with term loan balance as at March 31, 2019. The same is carried forward in the previous and current financial year. Also refer Note 47 (b) and Note 1.2.

15.4. The Company has availed the following unsecured short term loans from its holding company IL&FS Energy Development Company Limited. Outstanding balance as on March 31, 2023 and March 31, 2022 is given below.

Rate of interest	Facility Amount	Date of Loan taken	Balance as at 31st Mar 2023	Balance as at 31st Mar 2022	Balance as at 1st Apr 2021
16% p.a. compounding quarterly	123.6	11-Sep-17	24.54	24.54	24.54
16% p.a. compounding quarterly	123.6	12-Mar-18	120.82	120.82	120.82
NIL	314.05	19-Jan-18	314.05	314.05	314.05
NIL	290.00	28-Mar-18	290.00	290.00	290.00

The above loans are overdue since March 2019. No extensions were granted to the Company. The Company has accrued interest on loans from related parties only till 15.10.2018 based on confirmation received from Group. Also refer Note 15.8 and Note 1.2.

15.5. Loans repayable on demand from banks represents cash credit facilities availed by the Company. The principal moneys due from time to time and all interest thereon calculated from day to day at the rate hereinafter mentioned, additional interest, interest tax at the rate as in force, and the amount of all charges, commission and expenses etc. are secured by way of first pari-passu charge on:-

i. The present and future stocks of raw materials including in transit, work in process, stores and spares (hereinafter referred to as the Goods), which belong to it and which now or hereinafter from time to time during the continuance of this agreement shall be brought in, stored or be in or about its premises or godowns at Cuddalore or any other godowns or be in the course of transit from one godown to another or wherever else the same may be and

ii. the present and future book debts, operating cash flows, outstanding decrees, money receivables, claims, securities, Government subsidies, investments, rights and other moveable assets excluding bills purchased/discounted by Bank and bills against which advances have been made (all of which are hereinafter referred to as 'Book Debts') which belong to the Borrower and which now or hereinafter from time to time during the continuance of this Agreement may belong to it (the said 'Goods' and 'Book Debts' are hereinafter referred to as 'hypothecated assets'/'the Securities' apart from other Securities as more fully described in the Schedule hereto), as security for payment of the balance due to the Bank by the Borrower at any time or ultimately found due on the Bank by them at any time or ultimately found due on the closing of the said Accounts and for payment of all debts and liabilities mentioned hereafter.

None of the short term borrowings are guaranteed by Directors.

15.6 Details of default as on the balance sheet date

As at March 2023

Particulars	Period	Repayment of borrowings	Repayment of Interest	Total
Secured debentures*		5,000.00	2,893.62	7,893.62
Secured term loans				
- from banks	From Oct 2018 to March 31, 2023	9,769.12	32,531.78	42,300.89
- from financial institutions		1,316.90	3,824.64	5,141.54
Unsecured debentures			6,771.47	6,771.47
Unsecured term loans from related parties			5,431.39	5,431.39
Total		**16,086.02**	**51,452.90**	**67,538.92**

As at March 2022

Particulars	Period	Repayment of borrowings	Repayment of Interest	Total
Secured debentures*		5,000.00	2,210.67	7,210.67
Secured term loans				
- from banks	From Oct 2018 to March 31, 2022	5,802.71	23,808.39	29,611.10
- from financial institutions		782.22	2,799.06	3,581.28
Unsecured debentures			5,503.45	5,503.45
Unsecured term loans from related parties			4,522.25	4,522.25
Total		**11,584.93**	**38,843.82**	**50,428.75**

* Includes debenture premium on redemption of Rs. 241.82 (March 31, 2022 - Rs.241.82)

15.7 Charge on secured debentures

Debenture holder have subordinate charge by way of hypothecation of fixed assets of the Company and Corporate guarantees of promoter company. However, the CHG-1 has not been filed for the same. (refer note 32)

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15.8 Debentures and loans from related parties

As at March 31, 2023, the Company had borrowings from IEDCL, its holding company, represented by debentures and term loans, in respect of which interest expenses was recognised till October 15, 2018. Further to the matters stated in 1.2, no interest has been recognised from October 16, 2018 on such borrowings which aggregates to Rs. 6,771.47 as at March 31, 2023 (March 31, 2022 - Rs. 5,503.45) and Rs. 5,431.39 as at March 31, 2023 (March 31, 2022 - Rs. 4,522.25) respectively.

Fully Compulsorily Convertible debentures(FCCD) issued to IL&FS Energy Development Company Limited outstanding as on March 31, 2015 were in the nature of equity as it carried an NIL interest rate and were convertible into fixed number of shares. Terms of issue of these debentures were changed subsequently in the year 2016-17 to carry an coupon rate of 16% per annum with retrospective effect since the date of issue and would be convertible at fair market value of shares on maturity date at a conversion price in the range of Rs. 100 to Rs. 400 for each equity share of face value of Rs. 10 fully paid.

15.9 Interest on finance cost

As a result of the various matters stated in Note 1.2 to these financial statements, in respect of the previous financial year, management has determined at the time that no interest will be payable by the Company, on loans from banks, debentures other than in Note 15.8 above (for the period after October 15, 2018), and cash credit accounts (for the period after October 31, 2018). Accordingly, the Company has not recognised finance costs aggregating to Rs. 39,250.04 approximately as at March 31, 2023 (March 31, 2022 - Rs. 28,818.12)

15.10 Reconciliation of borrowings

As at March 31, 2023, the Company's books of account reflect a balance of Rs. 81,466.79 (March 31, 2022-Rs. 81,466.79) payable to the consortium of banks (with whom the Company's has borrowing arrangements), without making any adjustments that may be required to give effect to the proposed restructuring of debt and other outstanding amounts to banks to these financial statements. Against this, the statements / other information provided by those banks indicate outstanding balances by the Company aggregating Rs. 1,11,944.89 (March 31, 2022 - Rs. 1,00,639.19). Management believes that the net difference of Rs. 30,478.10 (March 31, 2022 - Rs. 19,172.40) may be on account of interest costs not accounted for by the Company after October 15, 2018 and/or incorrect/ additional/ penal interest charged by the banks. Accordingly, the Company has not accounted for the above difference in these financial statements.

15.11 Classification of borrowings

Pursuant to the matter described in Note 1.2 above, the Company had not recognised the interest payable on loans from banks and financial institutions, from October 16, 2018 to March 31, 2023, and had not paid such interest and related principal, till March 31, 2023. Under the terms of the loan agreements with lenders, such non-payment constituted an event of default pursuant to which the entire loan liability would have become due and payable on a current basis, as at March 31, 2019 and thereafter. As a result, borrowings as at March 31, 2023, March 31. 2022 and March 31, 2021 have been classified as current maturities considering default provisions as above though the Company is under the moratorium as per the NCLAT.

15.12 Loan restructuring

Management has received approval from bankers/financial institutions to restructure the payables towards principal and interest in respect of the Group's borrowings from those banks/financial institutions. This approval of restructuring is subject to the approval of The Hon'ble NCLAT. Application for such approval was made on January 08, 2021. Hon'ble NCLAT had heard the matter and passed the orders as under;

1. By its order dated 1.12.2021 , Hon'ble NCLAT approved the prayers related to restructuring of debts towards financial creditors

2. By its order dated 04.07.2022, the Hon'ble NCLAT refused grant of prayers related to restructuring of dues towards operational and capex creditors. Hon'ble NCLAT asked the company to make supplementary resolution plan and its subsequent approval from IL&FS Board and adjudicating authority.

Keeping the above in view, ITPCL had started the process of finalising supplementary resolution scheme dealing with claims of operational & capex creditors. Company is also engaged with lenders for revalidation of their earlier sanction and early implementation of debt restructuring plan as approved by them.

As the matter is still in progress, no adjustments have been made in the financial statements.

15.13 Forensic audit conducted by lenders

Lenders have also initiated a forensic audit for the period prior to September 2018 and appointed an external agency to perform forensic audit and report to lenders. Lenders have informed that consequent to receipt of auditor's report they have classified the Company's account as fraud category basis RBI guidelines and this action has no bearing on debt restructuring.

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Note 16 Trade Payables

Particulars	Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Total Outstanding dues of micro enterprises and small enterprises (refer note 16.2)	23.81	19.83	7.50
Total Outstanding dues of creditors other than micro enterprises and small enterprises (refer note 27 and note 35)	4,783.83	3,991.74	4,347.09
	4,807.64	4,011.57	4,354.59

There are no overdue amounts payable to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not paid any interest to any Micro and Small Enterprises during the current and previous year.

16.1 Ageing schedule

Outstanding for following periods from due date of payment

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(i) Undisputed dues			
a) MSME	18.07	19.83	7.50
b) Others			
Not due	3.01	-	-
Less than 1 year	951.12	473.66	762.38
1-2 Years	163.48	115.41	605.87
2-3 years	208.27	1,094.54	1,190.67
More than 3 years	3,406.27	2,251.26	1,655.08
Total	4,750.22	3,954.70	4,221.50
(ii) Disputed dues			
a) MSME	-	-	-
b) Others	-	-	-
Total	-	-	-
(iii) Unbilled dues			
a) MSME	5.75	-	-
b) Others			
Not due	51.67	56.87	133.09
Less than 1 year	-	-	-
Total	57.42	56.87	133.09
Total (i+ii+iii)	4,807.64	4,011.57	4,354.59

Note:

Where due date of payment is not available date of transaction has been considered

16.2 Disclosure required under Section 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	23.81	19.83	7.50
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specific ed under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year and	-	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006..	-	-	-
Total	23.81	19.83	7.50

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Note 17 Other financial liabilities

Particulars	Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
At Amortised Cost			
(a) Payable for fixed asset (refer note 27 and note 35)	5,432.63	5,432.63	5,432.63
(b) Retention money payable (refer note 27 and note 35)	2,288.26	2,287.84	2,287.60
(c) Others			
- Security deposits payable	4.09	1.99	0.26
- Employee benefits payable	0.79	0.70	1.55
	7,725.77	**7,723.16**	**7,722.04**

Note 18 Other liabilities

Particulars	Non-current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
a. Statutory remittances (Contributions to PF and NPS, Withholding taxes, GST etc.)	-	-	-	10.44	7.84	4.45
b. Advances from Customers	-	-	-	5.63	5.98	14.25
c. Deferred Government Grant (Refer note below)	7,991.70	8,240.04	8,488.45	248.36	248.39	248.36
	7,991.70	**8,240.04**	**8,488.45**	**264.43**	**262.21**	**267.06**

18.1. Movement in Government Grant (refer note 48)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balance at the beginning of the year	8,488.42	8,736.81	8,986.05
Received during the year	-	-	-
Released to the Statement of Profit and Loss	(248.36)	(248.39)	(249.24)
Balance at the end of the year	**8,240.06**	**8,488.42**	**8,736.81**
Current	248.36	248.39	248.36
Non Current	7,991.70	8,240.04	8,488.45

Note 19 Provisions

Particulars	Non-current			Current		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Provision for employee benefits - compensated absences and leave travel allowance	0.47	0.47	12.76	8.33	15.25	2.96
	0.47	**0.47**	**12.76**	**8.33**	**15.25**	**2.96**

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NOTE 20 Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Revenue from operations		
Sale of power	20,963.74	19,330.04
Change in Law Claims	822.50	3,514.80
	21,786.24	**22,844.84**
(b) Other operating revenues		
- sale of by product	28.90	42.79
- interest on overdue receivables	1,389.37	3,280.51
- Deferred income	248.36	248.39
	23,452.87	**26,416.53**

Timing of Revenue Recognition:

Particulars	As at March 31, 2023	As at March 31, 2022
Goods and services transferred at a point of time	23,204.51	26,168.14
Goods and services transferred over a period of time	248.36	248.39

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

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables	28,884.67	34,960.49
Contract Liabilities (advance from customers)	5.63	5.98

Set out below is the amount of revenue recognised from:

Particulars	As at March 31, 2023	As at March 31, 2022
Amount included in contract liabilities at the beginning of the year	5.98	14.25
Performance obligations satisfied in previous years	5.79	14.06

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue as per contracted price	20,992.64	19,372.83
Adjustments		
Discount allowed	-	-
Revenue from contract with customers	**20,992.64**	**19,372.83**

Break up of revenue from operations:

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from operations		
In India	23,452.87	26,416.53
Outside India	-	-

Note 21 Other Income

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
(a) Interest income earned on financial assets that are not designated as at fair value through profit or loss				
On Deposits	1,110.99		529.23	
On Income Tax Refund	4.57		-	
		1,115.56		529.23
(b) Other non-operating income		2.33		81.74
		1,117.89		**610.97**

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Note 22 Cost of materials consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Coal and limestone	15,103.84	12,245.48
(b) Oil	92.69	42.78
(c) Stores, spares and consumables	211.60	212.25
Total	**15,408.13**	**12,500.51**

Note 23 Other direct expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Operation & Maintenance	465.96	460.97
(b) Railway freight & detention charges	4.46	7.06
(c) SRLDC Charges	398.55	182.86
(d) Others	18.63	13.70
Total	**887.60**	**664.59**

Note 24 Employee Benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Salaries, Wages and Bonus	219.82	205.30
(b) Contribution to Provident and Other Funds	15.67	14.40
(c) Staff Welfare expenses	3.93	2.12
Total	**239.42**	**221.82**

Note 25 Finance Costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) Interest costs (refer note 15)		
(a) Debentures	-	-
(b) Loans	-	-
(c) On long term financial liabilities	-	-
(d) On derecognition of financial liabilities measured at amortised Cost	-	-
(ii) Other borrowing costs*	133.20	238.14
	133.20	**238.14**

*Other borrowing costs includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.

Note 26 Depreciation, amortisation and provision for impairment

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation/amortisation on		
(a) Property, plant and equipment	1,983.81	1,971.80
(b) Intangible assets	0.10	0.08
(c) Provision for impairment (net)	-	(462.56)
	1,983.91	**1,509.32**

Note 27 Other expenses

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
Power and Fuel		1.52		1.24
Rent		15.66		15.62
Repairs and Maintenance				
- Buildings	25.81		23.19	
- Others	130.02	155.83	82.16	105.35
Insurance		124.74		117.68
Rates and Taxes		1.06		1.17
Communication Expenses		0.22		0.24
Travelling and Conveyance		16.00		15.55
Printing and Stationery		0.86		0.33
Auditors' Remuneration		4.13		3.60
Legal and Professional Expenses		50.50		62.80
Directors Sitting Fees		0.51		0.27
Green belt and environmental expenses		11.08		13.52
Security Expenses		82.37		80.23
Expected credit loss provision (ECL) (net)		1,216.83		713.61
Net loss on foreign currency transaction and translation (net)*		1.55		1.53
Corporate Social responsibility expenditure		28.06		24.72
Miscellaneous Expenses		7.57		0.65
		1,718.49		**1,158.11**

Note:
The Company is under NCLAT Resolution and the process prescribed under the Insolvency and Bankruptcy code would be applicable to Company. The outstanding liabilities as on 15th October 2018 including foreign currency liabilities are converted in to INR at the exchange rate of 15th Oct'2018. On Resolution, the crystalised foreign liabilities will be paid in foreign currency equivalent to the INR. Hence, the foreign liabilities are not restated on the balance sheet date.

However, the Company restated the foreign currency liability till March, 2022 at the prevailing closing rate as on the reporting date as per the IND AS 21. During the current year based on the legal opinion obtained, the Company has frozen its foreign currency liability as at 15th Oct 2018 which has resulted in reversal of foreign exchange loss amounting to Rs. 121.92, the effect of the same has been given in the respective previous years. (also refer note 35)

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Note 28.1. Income taxes

A. Amount recognised in statement of profit and loss	Year ended March 31, 2023	Year ended March 31, 2022
Current tax (a)		
Current period	1,057.14	2,702.00
Deferred tax (b)		
Attributable to - Origination and reversal of temporary differences	(1,057.14)	(2,702.00)
Total income tax expense recognised in the current year	-	-

B. Reconciliation of effective tax rate	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax as per Statement of Profit and loss	4,200.01	10,735.01
Income tax using the company's domestic tax rate @ 25.17%	1,057.14	2,702.00
Effect of:		
- Provision for loss allowance	306.28	179.62
- Disallowance of impairment of financial assets, PPE & CWIP and CSR	7.06	(110.20)
- Others	0.76	2.37
- Difference in depreciation in books vs income tax depreciation	(693.97)	(996.22)
- Brought forward losses and unabsorbed depreciation on which DTA was not created	(614.76)	(1,715.06)
- Income exempt from tax (Revenue recognition of government grants)	(62.51)	(62.51)
Income tax recognised in Statement of Profit and Loss	**0.00**	**0.00**

During the year ended March 31, 2020, the Company evaluated the option given under the New Tax Ordinance and found that it would be beneficial to opt for the new tax regime. The company has adopted new tax regime under section 115 BAA of the Income Tax Act,1961 from the FY 2019-20 onwards.

Note 28.2. Recognised deferred tax assets and liabilities

Particulars	Deferred tax assets		Deferred tax liabilities		Net deferred tax (assets) / liabilities	
	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
Property, plant and equipment	-	-	7,972.25	7,239.40	7,972.25	7,239.40
Provision for employee benefits	(0.20)	(0.18)	-	-	(0.20)	(0.18)
Loss allowance on trade receivables	(1,378.29)	(586.95)	-	-	(1,378.29)	(586.95)
Unabsorbed depreciation	(6,593.76)	(6,652.27)	-	-	(6,593.76)	(6,652.27)

The Company has recognised deferred tax asset on unabsorbed depreciation/carry forward losses to the extent of the deferred tax liability. No deferred tax asset has been recognised on the above unutilised tax losses and unabsorbed depreciation for the matters as disclosed in Note 1.2.

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All amounts are in ₹ million, except share data and as stated

Note 29. Details of CSR Expenditure

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) Gross amount required to be spent during the year	71.70	0.50
(ii) Amount spent during the year on:		
(a) Construction/acquisition of any asset	12.40	14.65
(b) On purposes other than (i) above	15.66	10.07
(iii) amount of shortfall at the end of the year out of the amount required to be spent	-	-
(iv) total of previous years' shortfall	-	-
(v) reason for shortfall	-	-
(vi) details of related party transactions	-	-
(vii) where a provision is made with respect to a liability incurred by entering into a contractual obligation	-	-

Note:

In terms of Section 135(1) of the Act, the CSR provisions applicable to every company having a net worth of Rs.500 crore or more, or turnover of Rs.1,000 crore or more, or a net profit of Rs.5 crore or more during the immediately preceding financial year. For the purposes of Section 135, net profit of a company is to be calculated in accordance with the provisions of Section 198 of the Act and as per its financial statements prepared in accordance with the Act.

Company is under the Resolution framework of National Company Law Appellate Tribunal (NCLAT) since 15th October 2018. Under the NCLAT order the Company is having moratorium and has not being accruing interest in its books on all liabilities outstanding as of October 15, 2018. Meanwhile the Company has initiated Debt Resolution Process under the purview of NCLAT. The Debt Resolution is in the form of Debt Restructuring, however the company could not able to implement the Debt Restructuring due to the objections filled with NCLAT by the Operational/Capex creditors of the company. NCLAT has directed the company to appropriately consider the claims of the Operational/Capex creditors in a fair & reasonable manner and to submit a supplementary Resolution Plan. Since the Debt Resolution has not been finalised, the company has not accrued the interest cost on servicing the Debts owed by the company in the annual financial statements. Hence the Profit estimate under the provision of Section 198 of the Companies Act is not feasible.

As per the NCLAT order dated 11th February 2019, the Company has been classified as "Amber Entity" and permitted to make necessary operational payments only to maintain and preserve it as "Going Concern".

In these circumstances, the payment towards CSR obligations from the (notional) net profits of the Company, when the Company is not servicing any of its creditors and conserving cash for the benefit of its creditors for ultimate resolution, would render the whole resolution process futile and would not meet the spirit of CSR provisions.

Based on the above facts as well as the current situation the Company has submitted application with MCA to provide an exemption from the provision of Section 135(1) of the Companies Act requirement of spending 2% of its average net profits from the date of Moratorium till the time Debt Restructuring is implemented by the company.

However, Company's sense of responsibility towards the community and maintain environment balance in which it operates, has been fulfilled through undertaking certain minimum Community Development activity for the social good of the community in the vicinity of the business it operates.

Note 30. Auditor's remuneration

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As Auditor:		
Audit Fee	3.54	3.00
Tax audit Fee	-	-
In other capacity		
Fee for certificates and other services	0.26	0.56
Out of pocket expenses	0.33	0.04
	4.13	**3.60**

Remuneration includes applicable taxes

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Note 31.Operating lease arrangements

(a) Company as Lessee

The Company has taken office premises on operating lease.

(b) Payments recognised as expense in the statement of profit and loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental expenses	15.66	15.62

Note 32.Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

(iii) No Bank or financial institution or other lender has declared the Corporation as wilful defaulter

(iv) The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

1) 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
2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(v) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) Compliance with number of layers of companies as per Clause 87 of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable

(vii) There are no pending applications with any authority for a scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013

(viii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(ix) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period except the following:

Charge holder Name	Registrar location	As at March 31, 2023	As at March 31, 2022
Aditya Birla Sunlife AMC limited	Registrar of Company, Chennai	5,000.00	5,000.00

(x) The Company has no any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956

Note 33.1 Contingent Liabilities

In the ordinary course of business, the Company faces claims and assertions by various parties. As stated in Note 43 the Company has also received claims from the creditors through the claims management process discussed in that note. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Bank Guarantee provided to customs department in relation to grant (refer note 48)	4,302.30	4,302.30
(b) Other Bank Guarantees	1,453.80	1,385.00
(c) Disputed Stranded Capacity as per the order of CERC under appeal before Appellate Tribunal for Electricity, New Delhi.	44.70	44.70
(d) Claims against the company not acknowledged as debt		
(i) Creditors claim (refer note 43)	6,655.59	6,655.59
(i) Default in interest payment (refer note 15.6)	51,452.90	38,843.82
(e) Customer claim (PTC claim)	6,721.79	6,721.79
(f) Income-tax - under appeal	260.29	234.40

There are numerous interpretative issues relating to the Hon'ble Supreme Court judgement on Provident Fund dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the Hon'ble Supreme Court order. The Company will update its provision, on receiving further clarity on the subject.

Note 33.2 Commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of capital commitments remaining to be executed net of advances	935.74	935.74

Note 34. Segment Information

The primary reporting of the Company has been made on the basis of business segment. The Company has only one business segment as defined in Ind AS 108, which is the generation & supply of electricity. Accordingly, the amounts appearing in these financial statements relate to this primary business segment.

Since, all the segment assets are in India, there are no separate geographical segment details required to be disclosed.

We do not identify or allocate assets by operating segment, nor does the chief operating decision maker evaluate operating segments using discrete asset information. We have no material intersegment revenue. The accounting policies of the segments are consistent with those described in summary of significant accounting policies and practices.

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Note 35 Disclosure on account of changes in accounting policy and prior period errors under Ind AS - 8

Changes in accounting policy:

The Company is under NCLAT resolution and the process prescribed under the Insolvency and Bankruptcy code would be applicable to us. The outstanding liabilities as on 15th October 2018 including foreign currency liabilities are converted into INR at the exchange rate of 15th October 2018. On Resolution, the crystalised foreign liabilities will be paid in foreign currency equivalent to the INR. Hence, the foreign liabilities are not restated on the balance sheet date, which is not in accordance with Ind AS - 21 The Effect of Changes in Foreign Exchange Rates.

However, the Company restated the foreign currency liabilities till March 2022 at the prevailing closing rate as on the reporting date. During the current year based on the legal opinion obtained, the Company has frozen its foreign currency liabilities as at 15th October 2018 which has resulted in reversal of foreign exchange loss amounting to Rs. 121.92, the effect of the same has been given in the respective previous years.

Prior period errors:

The Company had not recognised the interest payable on loans from banks and financial institutions, from October 16, 2018 to March 31, 2023, and had not paid such interest and related principal, till March 31, 2023. Under the terms of the loan agreements with lenders, such non-payment constituted an event of default pursuant to which the entire loan liability would have become due and payable on a current basis, as at March 31, 2019 and thereafter. As a result the borrowings as at March 31, 2023, March 31, 2022, March 31, 2021 have been classified as current maturities considering default provisions as above though the Company is under moratorium as per the NCLAT.

Particulars	As at March 31, 2022	Adjustment	As at March 31, 2022	As at March 31, 2021	Adjustment	As at March 31, 2021
	Previously reported		Restated	Previously reported		Restated
Change in accounting policy - IND AS 21						
Financial liabilities						
(a) Trade payables	4,031.09	(19.52)	4,011.57	4,349.52	5.06	4,354.58
(b) Payable for fixed asset	5,488.98	(56.35)	5,432.63	5,418.05	14.58	5,432.63
(c) Retention money payable	2,333.89	(46.05)	2,287.84	2,275.68	11.92	2,287.60
	11,853.96	**(121.92)**	**11,732.04**	**12,043.25**	**31.56**	**12,074.81**
Other Equity	**13,735.40**	**121.92**	**13,857.32**	**3,151.03**	**(31.56)**	**3,119.47**
Total equities and Liabilities	**25,589.36**	**0.00**	**25,589.36**	**15,194.28**	**0.00**	**15,194.28**

Particulars	Year ended March 31, 2022	Adjustment	Year ended March 31, 2022	Year ended March 31, 2021	Adjustment	Year ended March 31, 2021
	Previously reported		Restated	Previously reported		Restated
Other Expenses - Change in accounting policy - IND AS 21	1,311.59	(153.48)	1,158.11	-	-	-
Earnings per equity share						
(a) Basic - Rs.	52.85	0.77	53.62	-	-	-
(b) Diluted - Rs.	40.38	0.59	40.97	-	-	-

Particulars	Year ended March 31, 2022	Adjustment	Year ended March 31, 2022	Year ended March 31, 2021	Adjustment	Year ended March 31, 2021
	Previously reported		Restated	Previously reported		Restated
Prior period errors - Reclassification of Non- current borrowings/provisions to Current borrowings/provisions						
Current Borrowings	30,043.52	51,724.66	81,768.18	24,637.19	57,125.91	81,763.10
Non - Current Borrowings	50,284.03	(50,284.03)	-	55,685.28	(55,685.28)	-
Other financial liability - Interest accrued and due on borrowings	1,440.63	(1,440.63)	-	1,440.63	(1,440.63)	-
Long term Provisions	12.76	(12.29)	0.47			
Short term Provisions	2.95	12.29	15.25			
	81,783.90	**(0.00)**	**81,783.90**	**81,763.10**	**0.00**	**81,763.10**

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Note 36. Ratios as per the schedule III requirements:

a) Current ratio = Current assets divided by Current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current assets	45,575.84	37,970.52
Current liabilities	94,579.18	93,780.37
Ratio	0.48	0.40
% change from previous year	19.02	

Reason for change more than 25% : Not applicable

b) Debt-Equity Ratio = Total debt divided by total equity where total debt represents aggregate of current and non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Total debt	81,773.01	81,768.18
Total equity	20,058.89	15,859.40
Ratio	4.08	5.16
% change from previous year	20.93	

Reason for change more than 25% : Not applicable

c) Return on Equity ratio / Return on investment ratio = Profit after tax divided by average total equity

Particulars	As at March 31, 2023	As at March 31, 2022
Profit after tax	4,200.01	10,735.01
Average total equity	17,959.15	10,490.48
Ratio	0.23	1.02
% change from previous year	(77.15)	

Reason for change more than 25% :
The decrease is due to lower turnover and higher provision of ECL compared to previous year

Average shareholders equity = (Total equity as at beginning of respective year + total equity as at end of respective year) divided by 2

d) Inventory turnover ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2023	As at March 31, 2022
Cost of goods sold*	16,295.73	13,165.10
Average inventory**	2,929.41	2,028.39
Ratio	5.56	6.49
% change from previous year	(14.29)	

Reason for change more than 25% : Not applicable
*Cost of goods sold includes cost of materials consumed and other direct expenses
**Average inventory = (Total inventory as at beginning of respective year + total inventory as at end of respective year) divided by 2

e) Trade receivables turnover ratio = Sales divided by average trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Turnover*	23,204.50	26,168.14
Average trade receivables**	31,922.58	28,149.54
Ratio	0.73	0.91
% change from previous year	(20.51)	

Reason for change more than 25% : Not applicable
*Turnover represents revenue from operations excluding government grants
**Average trade receivables = (Total trade receivables (net) as at beginning of respective year + total trade receivables (net) as at end of respective year) divided by 2

f) Trade payables turnover ratio = Purchases divided by average trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Purchases*	18,050.55	11,660.14
Average trade payables**	4,409.61	4,183.08
Ratio	4.09	2.79
% change from previous year	46.85	

Reason for change more than 25% :
The increase is mainly due to maintaining of coal (fuel) inventory at optimum level to capitalise the peak demand and also due to increase in coal prices

*Purchases includes purchase of raw materials including stores, tools and spares

** Average trade payables = (Total Trade Payables as at beginning of respective year + Total Trade Payables as at end of respective year) divided by 2

g) Net capital turnover ratio = Revenue from operations divided by working capital

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from operations	23,204.50	26,168.14
Workings capital*	(49,003.35)	(55,809.85)
Ratio	**	**
% change from previous year	-	

Reason for change more than 25% : Not applicable

*Working capital = Current assets - Current liabilities
** Denominator is negative

h) Net profit ratio = Net profit after tax divided by Revenue from operations

Particulars	As at March 31, 2023	As at March 31, 2022
Net profit after tax	4,200.01	10,735.01
Revenue from operations	23,204.50	26,168.14
Ratio - %	18.10	41.02
% change from previous year	(55.88)	

Reason for change more than 25% :
The decrease is due to lower turnover and higher provision of ECL compared to previous year

i) Return on Capital employed = Earnings before interest and taxes (EBIT) divided by capital employed

Particulars	As at March 31, 2023	As at March 31, 2022
Earnings before interest and taxes	4,333.22	10,973.15
Capital employed*	1,01,831.90	97,627.58
Ratio - %	4.26	11.24
% change from previous year	(62.14)	

Reason for change more than 25% :
The decrease is mainly due to decrease of profit on account of lower revenue and additional ECL provision

*Capital employed = Total equity + total debt

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Note 37.Employee benefit plans

A. Defined contribution plans

The Company makes Provident Fund and NPS contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

During the year the following amounts have been recognised in the Profit and loss Statement on account of defined contribution plans:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employers contribution to Provident Fund	10.54	9.25
Employers contribution to National Pension Scheme	0.46	0.36

B. Defined benefit plans :

Gratuity -

Under the Gratuity plan operated by the Company, every employee who has completed at least five years of service gets a Gratuity on departure at 15 days on last drawn salary for each completed year of service as per Payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of qualifying insurance policy. The following table summarizes 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.

a. Change in defined benefit obligation

Particulars	Gratuity (Funded)	
	March 31, 2023	March 31, 2022
Present Value of obligations at the beginning of the year	31.13	30.07
Current service cost	5.42	4.77
Interest Cost	2.03	1.89
Re-measurement (gains)/losses:	-	-
- Actuarial losses / (gains) arising from experience adjustment	0.44	(2.79)
Benefits paid	(3.10)	(2.81)
Present Value of obligations at the end of the year	**35.92**	**31.13**

b. Changes in the fair value of planned assets

Particulars	March 31, 2023	March 31, 2022
Fair value of plan assets at beginning of year	39.40	31.02
Return on plan assets	2.79	2.25
Contributions from the employer	5.60	8.89
Benefits Paid	(3.10)	(2.81)
Re-measurements:		
- Actuarial (losses) / gains on plan assets	(0.08)	0.05
Fair Value of plan assets at the end of the year	**44.61**	**39.40**

c. Amounts recognized in the Balance Sheet

Particulars	March 31, 2023	March 31, 2022
Projected benefit obligation at the end of the year	35.92	31.13
Fair value of plan assets at end of the year	(44.61)	(39.40)
Funded status of the plans – (Assets) recognised in the balance sheet	**(8.69)**	**(8.27)**

d. Components of defined benefit cost recognised in profit or loss

Particulars	March 31, 2023	March 31, 2022
Current service cost	5.42	4.77
Net Interest Expense		
Interest cost on DBO	2.03	1.89
Less: Interest income on plan assets	(2.79)	(2.25)
Net Cost in Profit or Loss	**4.66**	**4.41**

e. Components of defined benefit losses/(gains) recognised in Other Comprehensive income

Particulars	March 31, 2023	March 31, 2022
Remeasurement on the net defined benefit liability:	0.44	(2.79)
- Actuarial gains and losses arising from experience adjustment		
Return on plan assets	0.08	(0.05)
Net losses/(gains) in Other Comprehensive Income	**0.52**	**(2.84)**

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f. Significant actuarial assumptions

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.16%	6.86%
Expected rate of salary increases	5.00%	5.00%
Expected rate of attrition	10.00%	10.00%
Average age of members	38.79	38.07
Average remaining working life	8.04	8.14
Mortality (IALM (2006-2008) Ultimate)	100%	100%

The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31,2023	March 31,2022
Discount rate		
- 0.50% increase	34.86	30.20
- 0.50% decrease	37.05	32.11
Salary growth rate		
- 0.50% increase	37.13	32.19
- 0.50% decrease	34.77	30.13

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

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 outgoes happening 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)

The Company's best estimate of the contribution expected to be paid to the plan during the next year NIL (PY:NIL).

Effect of Plan on Entity's Future Cash Flows:

a) Funding arrangements and Funding Policy

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.

b) Expected Benefit payments in the following years:

Year 1	4.02
Year 2	3.85
Year 3	4.52
Year 4	6.28
Year 5	3.17
Next 5Years	17.03

C. Long Term Compensated Absences

The assumptions used for computing the long term accumulated compensated absences on actuarial basis are as follows:

Assumptions	March 31,2023	March 31,2022
Discount rate	7.16%	6.86%
Attrition Rate	10.00%	10.00%
Expected rate of salary increases	5.00%	5.00%

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Note 38. Earnings per Share:

a. Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

b. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Basic Earnings per share	20.98	53.62
Diluted Earnings per share	18.18	40.97

Note:
Refer Note 35 for disclosure of changes in accounting policy and prior period errors

Note 38.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit after Tax	4,200.01	10,735.01
Earnings used in the calculation of basic earnings per share	4,200.01	10,735.01
Number of equity shares of ₹ 10 each outstanding at the beginning of the year	200.21	200.21
Add: Equity shares Issued	-	-
Number of equity Shares of ₹ 10 each outstanding at the end of the year	200.21	200.21
Weighted Average number of Equity Shares	200.21	200.21

Note 38.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Earnings used in the calculation of basic earnings per share	4,200.01	10,735.01
Adjustments: Interest on Fully convertible debentures	-	-
Earnings used in the calculation of diluted earnings per share	4,200.01	10,735.01

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average number of equity shares used in the calculation of basic earnings per share	200.21	200.21
Potential Equity shares to be issued		
Fully convertible debentures	30.78	61.82
Weighted average number of equity shares used in the calculation of diluted earnings per share	230.99	262.03

* The debentures are anti diluted and the weighted average number of diluted equity shares remain the same

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Note 39. Related party transactions
List of related parties and relationship

a. Ultimate Holding Company
Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)

b. Holding Company
IL&FS Energy Development Company Limited (IEDCL)

c. Subsidiaries
IL&FS Maritime Offshore Pte Limited (IMOL) – Wholly Owned Subsidiary
IL&FS Offshore Natural Resources Pte Limited (IONRL) – Step Down Subsidiary
PT Bangun Asia Persada (PT BAP) – Step Down Subsidiary
PT Mantimin Coal Mining (PT MCM) – Step Down Subsidiary
Se7en Factor Corporation (SFC) – Step Down Subsidiary

d. Fellow Subsidiaries
IL&FS Financial Services Limited
IL&FS Environmental Infrastructure Services Limited
IL&FS Maritime Infrastructure Company Limited
IL&FS Education and Technology Services Limited
IL&FS Engineering & Construction Company Ltd
Porto Novo Maritime Limited
IL&FS Cluster Development Initiative Limited
ISSL Settlement & Transaction Services Ltd
IL&FS Transportation Networks Limited
IL & FS Technologies Limited
Livia India Limited

e. Joint Ventures
Cuddalore Solar Power Private Limited

f. Key Management Personnel (KMP)
Sanjeev Seth, Managing Director (w.e.f. 25-01-2021)
Harshlatha J Lalwani, Company Secretary (w.e.f 03-12-2021)
Saravanan Ranganathan, Chief Financial Officer (w.e.f 30-11-2022)
N.Ramesh, Chief Executive Officer (ceased to be KMP w.e.f 25-01-2021 & ceased to be a CEO w.e.f 31-05-2021)
Priya Iyer, Company Secretary (ceased to be Company Secretary w.e.f. 13-08-2021)
Sushil Kumar Agarwal, Chief Financial Officer (ceased to be CFO w.e.f 30-08-2022)

g. Non Executive directors
Feby Koshy Bin Koshy (w.e.f Dec 02, 2020)
Kaushik Modak (w.e.f May 13, 2022)
Nand Kishore (w.e.f August 18, 2022)
Neerav Yashwant Kapasi (ceased to be Director w.e.f May 25, 2022)
Malini Vijay Shankar (ceased to be Director w.e.f July 18, 2022)

Nature of transaction with related parties

Particulars	As at March 31, 2023	As at March 31, 2022
Issue of Share Capital		
Infrastructure Leasing & Financial Services Limited	-	-
Security Premium on conversion of Debentures		
Infrastructure Leasing & Financial Services Limited	-	-
Conversion of debentures		
Infrastructure Leasing & Financial Services Limited	-	-
Rental income		
IL&FS Maritime Infrastructure Company Limited	-	0.03
Porto Novo Maritime Limited	-	0.03

Particulars	As at March 31, 2023	As at March 31, 2022
Rental expenses		
IL & FS Energy Development Company Limited	0.55	0.32

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IL&FS TAMIL NADU POWER COMPANY LIMITED CHENNAI

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Particulars	As at March 31, 2023	As at March 31, 2022
Remuneration to key management personnel paid during the year		
Salary including perquisites		
Sanjeev Seth	15.19	14.36
Sushil Kumar Agarwal	3.59	7.07
Saravanan Ranganathan	1.51	-
N Ramesh	-	1.93
Priya Iyer	-	0.36
Harshlatha J Lalwani	0.42	0.22
Sitting fee paid to non whole time directors	0.51	0.27

Balance outstanding with related parties:

Particulars	As at March 31, 2023	As at March 31, 2022
Year-end payable balances		
IL & FS Energy Development Company Limited	169.91	169.38
Infrastructure Leasing & Financial Services Limited	878.67	878.67
IL&FS Environmental Infrastructure Services Limited	5.19	5.19
IL&FS Financial Services Limited	255.09	255.09
IL&FS Technologies Limited	0.10	0.10
Porto Novo Maritime Limited	55.53	55.53
IL&FS Maritime Infrastructure Company Limited	1,736.88	1,745.26
Year-end receivable balances		
IL&FS Environmental Infrastructure Services Limited	1.25	1.25
Porto Novo Maritime Limited	1.34	1.34
IL&FS Maritime Infrastructure Company Limited	2.88	2.88
Share Capital		
IL & FS Energy Development Company Limited	1,607.98	1,607.98
A S Coal Resources Pte Limited	151.72	151.72
Infrastructure Leasing & Financial Services Limited	242.38	242.38
Security Premium on Conversion of Debentures		
IL & FS Energy Development Company Limited	32,187.84	32,187.84
A S Coal Resources Pte Limited	96.79	96.79
Infrastructure Leasing & Financial Services Limited	5,146.90	5,146.90
Inter-company borrowings received		
IL & FS Energy Development Company Limited	6,326.36	6,326.36
Debentures outstanding (including interest accrued)		
IL & FS Energy Development Company Limited	4,743.87	4,743.87
Investments (net of impairment)		
ILFS Maritime Offshore Pte Limited	612.46	612.46
Financial Asset-Loans (net of impairment)		
Infrastructure Leasing & Financial Services Limited	0.03	0.03
Other Financial Liabilities-Interest accrued		
IL & FS Energy Development Company Limited	1,331.06	1,331.06
IL&FS Transportation Networks Limited	22.26	22.26

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Note 40. Financial instruments

Note 40.1 Capital management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

Particulars	As at 31 March 2023	As at 31 March 2022
Equity	**20,058.89**	**15,859.40**
Debt	81,773.01	81,768.18
Cash and cash equivalents	(1.27)	(1.37)
Net debt	**81,771.74**	**81,766.81**
Total capital (equity + net debt)	**1,01,830.63**	**97,626.21**
Net debt to Total capital (equity+Net debt) ratio	0.80	0.84

Note 40.2 Categories of financial instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets-Non Current		
at amortised cost		
(i) Investments	612.58	612.58
(ii) Trade Receivables (refer note 5)	15,333.44	16,490.33
(iii) Other financial assets	596.50	564.73
Financial assets-Current		
at amortised cost		
(i) Trade Receivables (refer note 5)	13,551.23	18,470.16
(ii) Cash and Cash Equivalents	1.27	1.37
(iii) Bank balances other than (ii) above	26,758.91	16,931.59
(iv) Other Financial assets	466.15	377.61
Financial Liabilities-Current		
at amortised cost		
(i) Borrowings (refer note 15)	81,773.01	81,768.18
(ii) Trade Payables	4,807.64	4,011.57
(iii) Other financial Liabilities	7,725.77	7,723.16

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Note 40.3 Financial Risk Management Objective and Policies:

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.
In the ordinary course of business, the Company is exposed to market risk, credit risk, and liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and commodity risk.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period. The said analysis has been carried on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points on the exposure of ₹ 69,262.14 as on 31st March, 2023 and ₹ 69,257.32 as on 31st March, 2022 and all other variables were held constant, the Company's profit for the year would increase or decrease as follows (also refer note 15) :

Particulars	Year ended March 31,2023	Year ended March 31,2022
Impact on Profit or Loss for the year	346.75	346.72

b) 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 Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, however the Company is not having hedging limits as working capital facility hence transactions are incurred on prevailing market rates.

Foreign currency risk management

The Company is exposed to foreign exchange risk on account of following:
1. Purchase of Coal
2. Purchase of stores and spares

The Company has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies. Consequent to matters described in Note 1.2 above, the Company has not hedged any of its exposure during the year.

The Company is under NCLAT Resolution and the process prescribed under the Insolvency and Bankruptcy code would be applicable to Company. The outstanding liabilities as on 15th October 2018 including foreign currency liabilities are converted in to INR at the exchange rate of 15th Oct'2018. On Resolution, the crystalised foreign liabilities will be paid in foreign currency equivalent to the INR. Hence, the foreign liabilities are not restated on the balance sheet date.

However, the Company restated the foreign currency liability till March, 2022 at the prevailing closing rate as on the reporting date as per the IND AS 21. During the current year based on the legal opinion obtained, the Company has frozen its foreign currency liability as at 15th Oct 2018 which has resulted in reversal of foreign exchange loss amounting to Rs. 121.92, the effect of the same has been given in the respective previous years. (also refer note 35).

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IL&FS TAMIL NADU POWER COMPANY LIMITED CHENNAI

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c) Commodity price risk

The company operating activities require the on-going purchase of coal and other fuel. This is affected by the price volatility of certain commodities. The company is hedging the same by procuring the coal in the current market and keeping a close tap of the price with the cost of generation thereby ensuring this does not result in negative operating margins.

d) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is having majority of receivables from State Electricity Boards which are Government undertakings and hence they are secured from credit losses in the future. Though there are delays in payments there is no risk with regard to certainty of collection. Refer Note 5.3 for credit concentration.

Note 40.4 Liquidity risk management

The Company endeavour to manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Consequent to matters described in Note 1.2 above, the Company's funds management has undergone a change. Currently, the Company solely depends on its ability to collect money from its power sale customers which in turn effects the procurement plan and this can have cascading effect on declaring availability and generation of power.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments as at March 31, 2023:

Particulars	Carrying amount	up to 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	81,773.01	81,773.01	-	-	81,773.01
Trade Payables	4,807.64	4,807.64	-	-	4,807.64
Other Financial Liabilities	7,725.77	7,725.77	-	-	7,725.77
Total	**94,306.42**	**94,306.42**	-	-	**94,306.42**

The table below provides details of financial assets as at 31 March 2023:

Particulars	Carrying amount
Trade receivables	28,884.67
Other financial assets	28,435.41
Total	**57,320.08**

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments as at March 31, 2022:

Particulars	Carrying amount	up to 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	81,768.18	81,768.18	-	-	81,768.18
Trade Payables	4,011.57	4,011.57	-	-	4,011.57
Other Financial Liabilities	7,723.16	7,723.16	-	-	7,723.16
Total	**93,502.91**	**93,502.91**	-	-	**93,502.91**

The table below provides details of financial assets as at 31 March 2022:

Particulars	Carrying amount
Trade receivables	34,960.49
Other financial assets	18,487.88
Total	**53,448.37**

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Note 40.5.Financial Instruments

Fair Values:

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities.

Particulars	As at 31 March 2023			As at 31 March 2022		
	Carrying value	Fair Value through profit or loss	Fair value	Carrying value	Fair Value through profit or loss	Fair value
Financial assets						
Financial assets at amortised cost:						
- Trade receivables	28,884.67	-	28,884.67	34,960.49	-	34,960.49
- Cash and cash equivalents	1.27	-	1.27	1.37	-	1.37
- Bank balances other than cash and cash equivalents	26,758.91	-	26,758.91	16,931.59	-	16,931.59
- Investments	612.58	-	612.58	612.58	-	612.58
- Other financial assets	1,062.65	-	1,062.65	942.34	-	942.34
Particulars	**As at 31 March 2023**			**As at 31 March 2022**		
	Amortised cost	**Fair Value through profit or loss**	**Fair value**	**Amortised cost**	**Fair Value through profit or loss**	**Fair value**
Financial liabilities						
Financial liabilities at amortised cost:						
Borrowings	81,773.01	-	81,773.01	81,768.18	-	81,768.18
Trade payables	4,807.64	-	4,807.64	4,011.57	-	4,011.57
Other financial liabilities	7,725.77	-	7,725.77	7,723.16	-	7,723.16

The management assessed that cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, short term borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Derivatives are fair valued using market observable rates.

Note 41.Investments in and loans due from ILFS Maritime Offshore Pte Ltd (IMOL)

As at March 31, 2023, the Company carries investments of Rs 612.46 (March 31, 2022 - 612.46) and loans (net of provisions) of Rs. Nil (March 31, 2022 - Nil), a subsidiary of the Company. IMOL is primarily a holding company with investments in its subsidiary PT Mantimin Coal Mining, Indonesia ("PTMCM"), which is currently developing a coal mine in Indonesia

In earlier years, having regard to the investments made and the operating status of IMOL and PTMCM, Management determined that amounts aggregating Rs 8,326.01 (representing 93.13% of the total value investments in and loans to IMOL are impaired and hence, considered not recoverable. Accordingly, the Company made provision of Rs 6,583.37 in respect of loans due from IMOL, and Rs 1,742.64 in respect of Investments in shares of IMOL

Note 42 Commercial arrangements and claims received

(i) The Company had raised funds by way of private placement of two Secured, Unlisted, Redeemable Non-Convertible Debentures ("NCD") having face value of Rs.10,00,000 each, aggregating Rs.5,000, backed by corporate guarantee and/or undertakings by IL&FS and IL&FS Energy Development Company Limited (IEDCL). Pursuant to an arrangement with IL&FS, the Company was required to pay monitoring fees to IL&FS in respect of the above-mentioned private placement of NCDs. Subsequent to the downgrading of credit rating of IL&FS after October 2018, holders of NCDs of the Company have increased interest rates on NCDs issued by the Company. As result of the foregoing, management concluded that the arrangement with IL&FS and IEDCL became infructuous from October 15, 2018 and April 1, 2019, respectively. Accordingly, no expenses in this regard have been accounted for by the Company in the previous years and current year.

(ii) The Company entered into an agreement dated May 25, 2017 with IL&FS Maritime Infrastructure Company Limited ("IMICL"), an IL&FS group company, for providing coal handling services to the Company. As per the said agreement, the Company was required to pay fixed charges on yearly basis to IMICL in addition to variable charges per tonne of coal handled. Such charges had been waived by IMICL from the financial year 2018-19. In addition, the Company was liable to pay interest on delayed payment of dues pertaining to the period from July 1, 2017 to March 31, 2018, aggregating to Rs 386.30 as on March 31, 2019. This contract with IMICL was terminated by the Company effective April 1, 2019. Against the above, an amount of Rs 278.86 has been claimed by IMICL on the Company, including as part of the claims process as at March 31, 2023 (March 31, 2022 - Rs. 278.86). The Company has not admitted these claims, and hence has not accounted for such costs in these financial statements. No such claims have been made on the Company, or been recorded by the Company, in respect of the current financial year.

(iii) The Company had entered into an agreement with Porto Novo Maritime Limited ("PNML") (more fully discussed in Note 47). In respect of which, no interest expenses have been provided for by the company. Against the above, an amount of Rs 374.30 has been claimed by PNML through the claims process (refer Note 43) or otherwise

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Note 43. Creditors claims process

Pursuant to the "Third Progress Report - Proposed Resolution Framework for the IL&FS Group" dated 17 December, 2018 and the "Addendum to the Third Progress Report - Proposed Resolution Framework for IL&FS Group" dated January 15, 2019 ("Resolution Framework Report") submitted by IL&FS, the ultimate holding company of the Company, to the Ministry of Corporate Affairs, Government of India which, in turn, was filed with the Hon'ble National Company Law Appellate Tribunal ("NCLAT"), the creditors of the Company were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof on or before 5 June, 2019 (date later extended till June 20, 2019) to a Claims Management Advisor ("CMA") appointed by IL&FS Group. The amounts claimed by the financial and operational creditors are assessed for admission by the CMA.

The CMA, published the claim admission status report on 30.09.2022 pursuant to the claims received upto 18.08.2022.

Management of the Company is in the process of reviewing the claims made by third parties with the CMA, of Rs 17,166.85 (March 31, 2022 - Rs. 17,166.85) in respect of the Company (excluding from banks) as at October 15, 2018, and reconciling such claims with the corresponding amounts as per the Company's books of account. Against this, as at March 31, 2023, the Company has recorded liabilities aggregating Rs. Rs. 10,511.27 (March 31, 2022 - Rs. 10,511.27) in respect of these claims. Having regard to the nature, volume and value of claims received, management is of the view that due process will need to be applied to all such claims, in order to finally determine the level of present obligations that would need to be recognised by the Company as liabilities. Pending final determination in this regard, no adjustments have been made in this regard to these financial statements, and all such claims (to the extent not recorded as liabilities in the financial statements) Have been disclosed as part of contingent liabilities

Note 44.Order of NCLT for re-opening and re-casting of financial statements of group companies

The National Company Law Tribunal ("NCLT"), vide order dated On 1 January 2019, has allowed petition filed by the Union of India for re-opening of the books of accounts and re-casting the financial statements of Infrastructure Leasing & Financial Services Limited ('IL&FS'), IL&FS Financial Services Limited ('IFIN') and IL&FS Transportation Network Limited ('ITNL') under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2013-14 to 2017-18. The process of such re-opening and re-casting of financial statements is currently in progress.

The Company had entered into transactions with IL&FS, IFIN and ITNL during the aforementioned years and the Board of Directors of the Company have reviewed these transactions and has evaluated the impact of this order on the Company. Based on such evaluation, and having regard to the fact that no such directions for re-opening of books of account or re-casting of financial statements of the Company has been issued till date, management is of the view that the re-opening of books of accounts and re-casting of financial statements of IL&FS, IFIN and ITNL does not have any impact on the financial statements of the Company as at and for the year ended March 31, 2023 and March 31, 2022. There are no transactions entered into by the Company with IL&FS, IFIN and ITNL during the current financial year.

Note 45.Forensic audit of IL&FS group entities

The reconstituted Board of IL&FS has initiated a forensic examination for the period from April 2013 to September 2018 for certain companies of the Group including ITPCL, and appointed an external agency to perform the forensic audit and report to the Board of IL&FS. We have received the report during the year ended March 31, 2021. Based on the report, the Company had issued show cause notices (SCN) to three employees, regarding potential irregularities in transactions with vendors and the role of those employees with respect to those transactions in line with IL&FS Group forensic audit protocol. The Company has received responses from those individuals, and have terminated their services and withheld the final settlement of these employees. Company has further filed petition with Hon'ble NCLT under section 66 of the IBC Code for suitable remedy/recovery. Pending outcome of the matter, the financial statement consequences of the above are not currently determinable

Note 46. Non-Compliance of laws and regulations and loan covenants

In earlier financial years, consequent to the resignation of certain independent directors, the Company is in non-compliance with requirements of the Companies Act, 2013 regarding constitution of an audit committee, and related requirements till November 18, 2019.

As a consequence of the matters described in Note 1.2 and Note 15 and various other matters discussed in these financial statements, the company may not be in compliance with certain laws and regulations, including but not limited to certain provisions of The Companies Act, 2013. Management is in the process of evaluating the various consequences arising from such non compliances including their financial and operational impact. Pending final determination and assessment thereof, no adjustments have been made to these financial statements.

As a result of the forensic audit referred in Note 45 above, non-compliance in the period up to October 15, 2018, of, certain covenants in respect of loans taken by the company, have been identified. Having regard to the company's ongoing discussion with lenders and the matters stated in Note 1.2 above, no further adjustments have been considered necessary to these financial statements, in that regard

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Note 47. Accounting for amounts due / recoverable from IL&FS group companies

a. Porto Novo Maritime Limited ("PNML ")

The Company entered into a License Agreement dated September 15, 2010 with Tamil Nadu Maritime Board ("TNMB") on September 15, 2010 for the development and operation of the Parangipettai Port in Tamil Nadu, India (the "Port"), for a period of 30 years from August 15, 2010. The Company has transferred the Licence for port development and operation to PNML, an IL&FS group company, without any consideration. Thereafter, the Company signed a Memorandum of Agreement with PNML dated April 12, 2013 to develop, finance, implement and operate the Port as a captive port for the Company on a "Take or Pay" basis.

As per the Memorandum of Agreement with PNML, the Company was required to provide capital support of Rs 6,300 to PNML towards construction of the Port, out of which Company paid Rs.2,903.50 to PNML between March 2013 and February 2014. The development of the port was deferred due to various reasons, including delay implementation of Phase II of the Company's power plant. Subsequently, in July 2015, PNML refunded Rs.1,900 out of the 2,903.50 received from the Company.

The Company and PNML entered into an amendment dated March 7, 2016 to the Memorandum of agreement dated April 12, 2013, in terms of which the Company was required to pay a deposit of Rs 2,200 to PNML in lieu of capital cost already incurred by PNML, and PNML was required to refund the balance Rs 1,003.50 capital support to the Company. The Company had not received the capital support amount of Rs 1,003.50 from PNML, and based on the financial condition of PNML, the Company provided for such amount of Rs 1,003.50, as at March 31, 2019

b.Interest on margin money deposits placed with IEDCL

The Company has placed margin money deposits of Rs. 327.13 with IEDCL, its holding company (refer Note 15). The Company had recognised interest receivable on such margin money for the period April 1, 2018 to October 15, 2018, of Rs 9.76, which was adjusted against the balance of term loans payable as at March 31, 2019 (refer Note 15). The Company has not recognised interest on such margin money for any period thereafter, till March 31, 2023.

Note 48.Government Grants

The Company qualifies as a Mega Power Project, in terms of the applicable regulations in this regard, and has obtained a provisional Mega Power Project status certificate from the Ministry of Power, Government of India ("GoI"). In terms of the prevalent scheme at the relevant time, the Company had availed of exemption from customs and excise duty aggregating Rs 9,953.67 on the purchase of equipment and spares for the Company's power project, which were secured by bank guarantees and fixed deposits. The grant of final mega power status of the Company is dependent on its achieving tie up for the supply of power for 85% of its installed capacity through the long-term PPAs by way of competitive bidding and the balance through regulated market within stipulated time (i.e., by January 2025). Under Ind AS, exemption of customs and excise duty has been treated as grant relating to income and accordingly, the amount of grant has been set-up as deferred income and has been recognised in statement of profit and loss over the useful life of the asset for which grant was received, with a corresponding balance recognised under Property, Plant & Equipment (Plant and Machinery).

As indicated in Note 1.1 above, in respect of Unit I of the Company's power plant operations, the Company has entered into a PPA for 15 years with TANGEDCO. The Company has obtained a mega power certificate (provisional) to the extent of 56.17% based on the amended Mega Power Policy 2009 and, accordingly, bank guarantees provided by the Company to the GOI for an amount of Rs 5,576.14 (proportional to the total value of bank guarantees given) have been released. There are no further obligations or conditions attached to this portion of the grant.

As indicated in Note 1.1 above, in respect of Unit II, the Company has represented to Ministry of Power that it has not been able to enter into a long-term PPA, as required by the terms of the duty waivers explained above, due to a lack of market (represented by requests for proposals) for such power supply terms. Ministry of power had given further period of 3 years till 2025 to comply with condition of long term PPA. Management also believes that there are no other material obligations or conditions attached to this remaining portion of the grant, and that the Company would continue to retain its Mega Power Project status in respect of Units I and II combined and, accordingly, no adjustments have been made to the financial statements in respect of the non current deferred government grants of Rs. 4,173.95 (March 31, 2022 - Rs. 4,173.95) (included in Note 18).

Note 49. Loan restructuring

Management has received approval from bankers/financial institutions to restructure the payables towards principal and interest in respect of the Group's borrowings from those banks/financial institutions. This approval of restructuring is subject to the approval of The Hon'ble NCLAT. Application for such approval was made on January 08, 2021. Hon'ble NCLAT had heard the matter and passed the orders as under;

1. By its order dated 1.12.2021 , Hon'ble NCLAT approved the prayers related to restructuring of debts towards financial creditors

2. By its order dated 04.07.2022, the Hon'ble NCLAT refused grant of prayers related to restructuring of dues towards operational and capex creditors. Hon'ble NCLAT asked the company to make supplementary resolution plan and its subsequent approval from IL&FS Board and adjudicating authority.

Keeping the above in view, ITPCL had started the process of finalising supplementary resolution scheme dealing with claims of operational & capex creditors. Company is also engaged with lenders for revalidation of their earlier sanction and early implementation of debt restructuring plan as approved by them.

As the matter is still in progress , no adjustments for the above have been made in the financial statements.

Note 50. Attachment of shares of the Company held by A.S. Coal

The Company received a copy of an order of the Directorate of Enforcement, Government of India, dated January 05, 2021, attaching the 14,851,486 equity shares of the Company held by its shareholder, A.S Coal Resources pte., Ltd, Singapore ("AS Coal"), towards alleged non-compliances by AS Coal and/or its shareholder(s), of the provisions of the Prevention of Money Laundering Act, 2002. The Company, which is named as a defendant in these proceedings, has submitted a reply dated May 04, 2021, that other than being the target company of the alleged non-compliances as stated above, the Company is not involved in any way in this matter. Accordingly, Management believes that this matter does not have any consequence on the Company and no adjustments are required to the financial statements in this regard

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Note 51. Previous year's figures have been regrouped wherever necessary to correspond with the current year's classification / disclosure.

Note 52. Approval of financial statements
The financial statements were approved for issue by the board of directors on May 31, 2023

As per our report of even date

For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No:101961W/W-100036

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: 31.05.2023

For and on behalf of the Board of Directors

Nand Kishore
Director
DIN No:08267502

Place: Delhi
Date: 31.05.2023

Sanjeev Seth
Managing Director
DIN No:07945707

Place: Chennai
Date: 31.05.2023

Feby Koshy Bin Koshy
Director
DIN No:08483345

Place: Mumbai
Date: 31.05.2023

Kaushik Modak
Director
DIN No:01266560

Place: Mumbai
Date: 31.05.2023

Saravanan Ranganathan
Chief Financial Officer

Place: Chennai
Date: 31.05.2023

Harshlatha J Lalwani
Company Secretary

Place: Chennai
Date: 31.05.2023