रत्नागिरी गैस एवं पावर प्रा. लि.

एनटीपीसी लिमिटेड की सब्सीडियरी

RATNAGIRI GAS AND POWER PRIVATE LIMITED

Subsidiary of NTPC Limited

18TH ANNUAL REPORT 2022-23

VISION

To Emerge as a Significant Player in the Energy Sector

MISSION

To Provide Reliable Power and Related Solutions in an Economical, Efficient and Environment Friendly Manner, Driven by Innovation and Agility

CORE VALUES

C - TRUST

C – Commitment to Customers
T – Teamwork with Passion
R – Responsibility in Action
U – Urge to excel through innovation
S – System Oriented Approach
T – Transparency & Ethics

Chairman's Statement

Dear Shareholders,

I am delighted to present the 18th Annual Report of the Company. I feel privileged and honored to showcase the Annual Performance of your Company.

Year 2022-23 was a tough year for RGPPL. Through its courage and determination Company was able to sustain itself even without any Short/ Long term Power Purchase agreement. As your Company is always committed to utilize any opportunity to operate and supply the power, your Company was able to grab opportunities which came in its way, to generate during the crunch period/ peak period. Company was asked to operate by NLDC, in the month of April - June 2022, when our Country was facing coal crisis. Your Company has also supplied power to TANGEDCO for 23 days under short term agreement during April – May 2022.

Similar, situation was arised during crunch period April – June 2023, when Company was Company has operated under the guidelines of Ministry of Power (MoP) and Grid Controller of India. Your Company is exploring opportunities for short term power supply to Indian Railways & TANGEDCO and have submitted offer based on Fuel offer submitted by fuel suppliers.

Coming to the operational performance of your company, the Director's Report and the Audited Accounts for the Financial Year ended March 31, 2023 have been shared with you and, with your consent, I shall take them as read. Before I speak to you about the performance of your company, I would like to thank each one of you for your continued support. I am proud of what we have accomplished together this past year and I am even more optimistic about the opportunities ahead.

During the year, company has generated 315.94 MU as against 3143 MU in previous year and company sold 287.55 MU as against 2,998.84 MU in previous year. Company achieved PLF of 1.83 % during the year as against 18.24% in previous year. Efforts are being made to enhance utilization of available capacity.

On the financial front, your Company has recorded total revenue of ₹494.78 crores during Financial Year 2022-23 as against ₹1,955.34 crores in the previous year.

Your company has always acknowledged its responsibility toward the society and has contributed in every possible manner. This year also your company did whatever was possible to contribute towards the sustainable development of nearby areas. To highlight the few, your Company

- Conducted 5 S cleanliness drive at Anjanwel Beach and BBP School.
- Organized district level squash tournament at RGPPL township.
- Sponsored and participated in Sagari Swachhata Abhiyan, organized at State Level by Government of Maharashtra. During above event, Cleanliness Drives was done at Guhagar and Anjanwel Sea Beach.
- Agriculture exhibition organized at Maitri Club, RGPPL Township in which many people from nearby villages participated.
- Distribution of Inspirational books in nearby schools and ITI, Guhagar.
- Dustbin provided for nearby villages & Police Station, Guhagar.

Your company regularly organize Safety walk and awareness drive on every Friday, which is attended by senior officials as Company is committed to maintain highest degree of safety standard at Plant site and township.

On Corporate Governance, your company has always been very vigilant and maintained highest standards. Various policies are in place such as Safety Policy, Environment Policy, Enterprise Risk Management, E-Waste Management, Handling & Disposal, IT Security Policy, Whistle-blower policy etc. to maintain such high standards.

Looking at the current power crisis in the Country and ever-increasing power demand, Company is continuously looking for opportunity as and when they come, to generate power. As Gas prices have come down to reasonable levels, your Company is continuously looking for entering into a PPA agreement with the prospective buyers.

In closing, let me reiterate how grateful I am for all your support. I am confident that with the skilled and proactive team that we have, along with the continued leadership and guidance from our Board Members, we shall embark a thrilling journey to make RGPPL to reach extraordinary heights.

ACKNOWLEDGEMENT

As I conclude, I want to extend my heartfelt gratitude to our shareholders NTPC Limited and MSEB Holding Company Limited for their continuous support and visionary guidance. I also thank the holding company, NTPC Limited, for their continued cooperation.

Further, in our quest for excellence in Corporate Governance, I extend my appreciation to the Comptroller & Auditor General of India, Statutory Auditors, Secretarial Auditors, Registrars of Companies and other professionals associated with the Company.

Lastly, I would also convey my thanks and appreciation to my esteemed colleagues on the Board, for their ingenious insights and the unshakeable spirit of the entire team of RGPPL. With your valuable contributions, we shall embark on a thrilling journey to make RGPPL reach unprecedented heights.

Thank you everyone and wish you all for a good health.

Yours Sincerely,

(Praveen Saxena)
Chairman
DIN: 07944144

Place: Lucknow
Date: 17th November 2023

NOTICE

Notice is hereby given that the **18th Annual General Meeting** of the members of **Ratnagiri Gas and Power Private Limited** will be held at on **Friday, 17th November, 2023, at 12:00 Noon. through Video conferencing ("VC")/other Audio – Visual means ("OAVM")** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements of the Company for the Financial Year ended 31st March, 2023, Director's Report, Independent Auditor's Report and the comments thereupon of Comptroller & Auditor General of India and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT audited Financial Statements of the Company for the financial year ended 31st March, 2023, Directors' Report, Independent Auditors' Report thereon along with comments of Comptroller & Auditor General of India (C&AG), be and are hereby received, considered and adopted."

2. To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditor(s) of the Company in term of the provisions of Section 142 of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions:**

   "RESOLVED THAT payment of Rs. 5,00,000/- (Rupees Five Lacs only) for the Statutory Audit and Rs. 1,42,000/- (Rupees One Lac Forty two thousand only) for the tax audit along with applicable taxes and reimbursement of actual traveling cost and out of pocket expenses for the financial year 2022-23, conducted by the Statutory Auditors, M/s Khire Khandekar and Kirloskar, as recommended by the Board of Directors in its 144th Board Meeting, held on 30th August, 2023, be and is hereby noted."

   "FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to fix the remuneration of Statutory Auditors of the Company for the year 2023-24 as may be deemed fit by the Board."

3. To appoint a Director in place of Shri Praveen Saxena, who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**.

   "RESOLVED THAT Shri Praveen Saxena, who retires by rotation pursuant to section 152 of the Companies Act 2013, being eligible, offer himself for re-appointment be and is hereby re-appointed as Director of the Company."

SPECIAL BUSINESS

4. To ratify the remuneration of the Cost Auditor for the Financial year 2022-23 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records for the financial year ending March 31, 2023, on a remuneration of Rs. 1,10,000/- (Rupees One Lakh ten thousand) and out of pocket expenses/ travelling on actual, as per applicable rules, excluding taxes, be and is hereby ratified."

   "**FURTHER RESOLVED 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."

5. To appoint Dr Anbalagan Ponnusamy (DIN: 05117747) as a Director of the Company and in this regard 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 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, Dr Anbalagan Ponnusamy (DIN: 05117747), who was nominated as a Director of the Company by MSEB Holding Company Limited vide letter no – MSEBHCL/CS/1530 dated 11th January, 2023 and subsequently appointed as Additional Director by the Board of Directors of the Company with effect from 19th January, 2023 to hold office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company"

By order of the Board
For Ratnagiri Gas and Power Private Limited

(Amit Kumar Verma)
Company Secretary

Place: New Delhi
Date: 17th November 2023

Notes:

1. Ministry of Corporate Affairs ('MCA') has vide its General Circulars dated September 25, 2023 read along with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting (AGM) through Video Conferencing ('VC') facility / Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and the MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. In compliance with the above MCA Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company.
3. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, in terms of the provisions of Section 113 of the Act, representatives of the body corporate can attend the AGM through VC/OAVM and cast their votes through show of hands/poll during the meeting.
4. The Explanatory Statement, pursuant to section 102 of the Companies Act, 2013, in respect of the special businesses is annexed hereto.
5. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company/ deemed Government Company are to be appointed or reappointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to the provisions of Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Members of the Company, in its 17th Annual General Meeting held on 28th September, 2022 authorized the Board of Directors to fix the remuneration of Statutory Auditors for the financial year 2022-23. Accordingly, the Board of Directors in its 144th Board Meeting held on 30th August, 2023, has fixed Rs.5,00,000/- (Rupees Five Lakhs only) for the Statutory Audit and Rs.1,42,000/- (Rupees One Lakh Forty-Two Thousand only) for the tax audit along with applicable taxes and reimbursement of actual traveling cost and out of pocket expenses for the financial year 2022-23.
6. In exercise to the power conferred under Section 139(5) of the Companies Act, 2013, C&AG has appointed M/s K M Deshpande & Co as Statutory Auditor of the Company, for the year 2023-24. Accordingly, Members may authorize the Board to fix an appropriate remuneration of Statutory Auditors as may be deemed fit by the Board for the financial year 2023-24.
7. The Registers maintained under Section 170 & Section 189 of the Act will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice and explanatory statements will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice and up to the date of AGM. Members seeking to inspect such documents can send an email to csrgppl@gmail.com.
8. Specific Particulars of the Directors seeking appointment or re-appointment, as required under Clause 1.2.5 of Secretarial Standard on General Meetings is annexed hereto and forms part of the Notice.
9. None of the Directors of the Company are in any way related with each other.
10. Since this AGM is being held through VC / OAVM, route Map to the venue of the Annual General Meeting is not required and hence not annexed hereto.
11. **INSTRUCTIONS FOR JOINING THE MEETING AND VOTING DURING AGM:**
    a) The AGM in the VC/OAVM mode will be held through Microsoft Teams and the Members can join the same 15 minutes before and after the scheduled time of the commencement of the Meeting.
    b) The link will be separately shared on registered Email Ids of the members along with notice.
    c) Shareholders are requested to allow Camera & Microphone of the device they are attending the meeting from and use Internet with a good speed to avoid any disturbance during the meeting.
    d) As permitted through the MCA Circulars, the attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
    e) Unless a poll is demanded by any member, voting will be done by show of hands. In case a poll is demanded/ required, the members shall cast their vote on the resolutions **only by sending emails through their registered email addresses only during the meeting**. The emails shall be sent on email id csrgppl@gmail.com.
    f) Shareholders may ask their questions during the meeting. They may also send their questions in advance along with necessary particulars on email id csrgppl@gmail.com.
12. In case members have any queries or issues regarding attending AGM & voting during the AGM, may contact Mr. Amit Kumar Verma, Company Secretary at csrgppl@gmail.com or 7972613086.

By order of the Board of Directors

(Amit Kumar Verma)
Company Secretary

Place: New Delhi
Date: 17th November 2023

Explanatory Statement Pursuant to Section 102(1) Of Companies Act, 2013

Item No. 4

A proposal for appointment of Cost Auditor for financial year 2022-23 was recommended by the Audit Committee to the Board. It was proposed to appoint M/s R M Bansal & Company, Cost Accountants, New Delhi as Cost Auditors.

The Board of Directors on the recommendation of the Audit Committee has approved the appointment of Cost Auditor along with remuneration of Rs.1,10,000/- (Rupees One Lakh Ten Thousand only) and out of pocket expenses /travelling on actual, as per applicable rules, excluding taxes subject to subsequent ratification by Shareholders in general meeting for the period ending on 31st March, 2023.

As per Rule 14 of Companies (Audit and Auditors) Rules, 2014 read with section 148(3) of the Companies Act, 2013, the remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and subsequently ratified by the shareholders in Annual General Meeting. Accordingly, members are requested to ratify the remuneration payable to the Cost Auditors for the period ending on 31st March, 2023. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board of Directors recommends the resolutions at item no.4 for your approval.

Item No. 5

Dr Anbalagan Ponnusamy (DIN: 05117747) who was nominated as a Director of the Company by MSEB Holding Company Limited vide letter no – MSEBHCL/CS/1530 dated 11th January, 2023 and subsequently appointed as Additional Director by the Board of Directors of the Company with effect from 19th January, 2023 to hold office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013.

Dr Anbalagan Ponnusamy took over as the Chairman & Managing Director, Maharashtra State Power Generation Company Limited on 30th September, 2022. He is an officer of the Indian Administrative Service (IAS) of the Maharashtra Cadre 2001 Batch. He is Bachelor of Veterinary Science (BVSc) from Madras Veterinary College, Chennai, Master in Dairying from National Dairy Research Institute, Karnal, Haryana. He is also pursuing M.Tech and Ph. D in Civil and Environmental Technology from Pune University, Maharashtra.

In his illustrious career spanning over 21 years, he has held several important assignments in Government of Maharashtra, like Assistant Collector, Solapur & Karad, CEO Zilla Parishad, Nandurbar, Collector & District Magistrate, Ahmednagar, Joint CEO, Maharashtra Industrial Development Corporation, Member Secretary of Maharashtra Pollution Control Board. Prior to current assignment, he was working as CEO, Maharashtra Industrial Development Corporation.

Dr Anbalagan Ponnusamy holds NIL share in the Company. Shri P. Anbalagan holds the Directorship in other Companies as under:

S.No	Name of Company	Designation
1.	MSEB Holding Company Limited (MSEBHCL)	Director
2.	Maharashtra State Power Gen Co. Ltd. (MSPGCL)	Chairman & Managing Director
3.	Mahaguj Collieries Ltd. (MGCL)	Chairman & Managing Director
4.	UCM Coal Co Ltd. (UCMCCL)	Director
5.	Chhattisgarh Katghora Dongargargh railways Ltd.	Director
6.	Mahagenco Renewable Energy Ltd.	Director
7.	Mahatamil Collieries Ltd.	Director

According to section 161 of the Companies Act, 2013, any person appointed as Additional Director of the Company shall hold office up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors is of the opinion that his appointment would be beneficial to the company.

By order of the Board of Directors

(Amit Kumar Verma)
Company Secretary

Place: New Delhi
Date: 17th November 2023

BRIEF RESUME OF THE DIRECTORS SEEKING RE-APPOINTMENT:

Name	Shri Praveen Saxena
Date of Birth & Age	26/12/1963 59 Years
Date of First Appointment in the Board	19th April, 2021
Qualifications	Bachelor of Engineering (Mechanical) from National Institute of Technology, Durgapur, India and Post Graduate Diploma in Business Management (Finance & Marketing) Management Development Institute, Gurgaon, India
Terms and Conditions of appointment or re-appointment along with remuneration details	Part-time Director nominated by NTPC Limited, Holding Company
Expertise in specific functional area	He has about 37 years' experience in the Indian Energy sector and has been with NTPC Limited, India's biggest power utility with about 67 Gigawatt of installed capacity spread over in various fuel mix of coal, gas, hydro, solar and wind spaces. He has experience in project construction & management, project planning, Contracts, Business Development among others. He has also been associated with the integrated 2000 MW gas-based plant and 5 MMTPA LNG Terminal at Dabhol in Maharashtra. Shri Saxena was instrumental in setting up of NTPC's overseas project development investments in SAARC region.
Directorship held in other companies	- Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited - NTPC Electric Supply Company Limited - Meja Urja Nigam Private Limited
Memberships/Chairmanship of Committees across all Companies*	NIL
Board Meetings attended during the year (FY2022-23)	No. of Meeting during his tenure = 8 No. of Meetings attended = 7
No. of shares held in the Company	1
Relationship with other Directors and KMP	None

BRIEF RESUME OF THE DIRECTORS SEEKING APOINTMENT/RE-APPOINTMENT:

Name	Dr Anbalagan Ponnusamy
Date of Birth & Age	12/05/1972 51 Years
Date of First Appointment in the Board	19th January, 2023
Qualifications	He is an officer of the Indian Administrative Service (IAS) of the Maharashtra Cadre 2001 Batch. He is Bachelor of Veterinary Science (BVSc) from Madras Veterinary College, Chennai, Master in Dairying from National Dairy Research Institute, Karnal, Haryana. He is also pursuing M.Tech and Ph. D in Civil and Environmental Technology from Pune University, Maharashtra
Terms and Conditions of appointment or re-appointment along with remuneration details	Part-time Director nominated by MSEB Holding Company Limited.
Expertise in specific functional area	In his illustrious career spanning over 21 years, he has held several important assignments in Government of Maharashtra, like Assistant Collector, Solapur & Karad, CEO Zilla Parishad, Nandurbar, Collector & District Magistrate, Ahmednagar, Joint CEO, Maharashtra Industrial Development Corporation, Member Secretary of Maharashtra Pollution Control Board. Prior to current assignment, he was working as CEO, Maharashtra Industrial Development Corporation
Directorship held in other companies	- MSEB Holding Company Limited (MSEBHCL) - Maharashtra State Power Gen Co. Ltd. (MSPGCL) - Mahaguj Collieries Ltd. (MGCL) - UCM Coal Co Ltd. (UCMCCL) - Chhattisgarh Katghora Dongargargh railways Ltd - Mahagenco Renewable Energy Ltd - Mahatamil Collieries Ltd.
Memberships/Chairmanship of Committees across all Companies*	NIL
Board Meetings attended during the year (FY2022-23)	No. of Meeting during his tenure = 2 No. of Meetings attended = 2
No. of shares held in the Company	NIL
Relationship with other Directors and KMP	None

DIRECTOR'S REPORT 2022-23

Dear Members,

Your directors are pleased to present the 18th Directors' Report of your Company, along with Audited Financial Statements for the Financial Year ended 31st March, 2023.

1. MAJOR HIGHLIGHTS

Major Highlights of the Company during the Financial Year are as follows:

Major Activities

- RGPPL supplied 135.42 MUs of power to TANGEDCO from 18.04.2022-10.05.2022 under STOA (Short term open access).
- RGPPL supplied 171.43 MUs of power under RRAS in the month of April, May and June 2022 & March 2023.
- GT-2A Major Inspection (MI) completed during 3rd May 2022 - 10th June'2022.
- Repair Work of six Chimney including painting work done during the year. HRSG-1A & 1B Chimney aviation Lights restored after painting of Chimney.
- 2A Gas Turbine exhaust casing and Bearing-2 Tunnel insulation replacement work completed during the year.
- CTG-2A GSU HV Bushing in all three phases replaced.
- Upgradation of DCS system of Sea water makeup system upgraded to 200 series latest version

Awards & Recognitions

- Your Company was declared winner In the category "Best Practices Challenge on Water Management & WASH" in India 2022.
- Your Company received "N M Lokhande Safety and Health Award" 2022-23 (Silver Category) from Government of Maharashtra.

Audits conducted

- ISO 45001 Surveillance audit was conducted in November 2022.
- ISO 14001 Surveillance audit was conducted in July 2022.
- External LMI audit was carried out in the month of March 2023
- Internal Safety audit was carried out in December 2022.
- External Safety audit was carried out in April 2022.

2. AMOUNTS TRANSFERRED TO RESERVES

In view of continuous losses, your Board of Directors could not propose to transfer any amount to any reserve for the Financial Year 2022-23.

3. FINANCIAL PERFORMANCE

The major financial highlights are as under:

(Rs. In crores)

Revenue	2022-23	2021-22
Revenue from operations	494.78	1,955.34
Other income	46.53	57.64
Total revenue	**541.31**	2,012.98
Expenses		
Fuel cost	379.49	1,312.33
Energy purchase	-	413.93
Employee benefits expense	25.84	25.45
Finance costs	100.85	102.81
Depreciation and amortization expense	6.23	29.93
Other expenses	179.70	118.10
Impairment of non-current assets	28.80	228.16
Total expenses	**720.91**	2,230.71
Profit/(Loss) for the year	**(179.60)**	(217.73)

4. OPERATIONAL PERFORMANCE

Operational performance of the company during the year:

Parameter	Unit	2022-23	2021-22
DC	%	21.8	25.23
Gross Generation	MU	315.9	3143
PLF	%	1.83	18.24
SG	%	1.85	18.92
AG	%	1.67	17.89
Heat Rate	kcal/kwh	1895	1883.26
APC	%	7.09	2.53
Planned Outage	%	2.0	0.36
Forced Outage	%	0.1	0.11
Gas Consumed	MMSCM	61.8	618.04
GCV	kcal/SCM	9691	9584
Cost of Generation	Rs / kwh	12.40	4.23

a) At present, your company does not have any long-term Power Purchase Agreement and it is supplying power to the gird as per the schedule of NLDC/WLRDC, according to their requirement. Company is not having any long-term gas agreement other than Non-APM gas, for which allocation was withdrawn by MoPNG w.e.f. 01.04.2022. Therefore, during the year, your Company operated the plant only on Spot RLNG.

Company purchased Spot RLNG from GAIL on reasonable endeavor (RE) basis to generate additional power which was sold through power exchange and thereby to earn additional revenue. During the year, your Company sold 75.61 MU of electricity through exchange earning additional revenue of Rs. 61.75 crore.

b) Your Company has supplied 240 MW of power to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) w.e.f 18.04.2022, for 23 days with back-to-back fuel supply arrangements with GAIL (India) Ltd. Accordingly your Company supplied power to TANGEDCO for a billed amount of Rs 125.43 Crores.

Major operational Activity after the closure of Financial Year 2022-23

GRID Controller of India Limited, formerly known as POSOCO identified 18 days of peak demand during the month of April – May 2023. A meeting was held on 10.01.2023 under the Chairmanship of Hon'ble Minister of Power & NRE, to discuss the Gas availability to NTPC Gas based Power Stations during crunch period of April – May 2023. RGPPL was allotted an approx 61.2 MMSCM from the existing LT RLNG contract of NTPC. RGPPL operated both blocks (Block 2&3).

Other factors affecting operations of your Company during the year are as follows:

i) Take or Pay obligation with Railways:

The reconciliation of PPA with Indian Railways (2017-2022) is under progress. The Take/ Pay payable details are communicated with REMCL and Central Railway (CR) - nodal agency on 21.09.2023 after series of discussion with REMCL & CR. On the request of REMCL, data shared was segregated as pre, during and post covid period. Matter is being followed up rigorously.

ii) Over-recovery of transmission charges for your Company power to Central Railway:

Central Railway (Maharashtra), had deducted transmission charges (STU) for a capacity of 255 MW for the period from April, 2017 to March, 2018 and 260 MW capacity for the period from April, 2018 onwards as against the capacity allocation of 230 MW and 210 MW respectively for the said period, resulting into additional financial burden of Rs. 15.80 crores. In this regard your Company has filed petition before CERC on 23.03.2020 for refund of Rs 15.80 Cr for the period Apr'17-Aug'18.

Central Railway has refunded total of Rs 15.80 Crores along with interest in August, September and October 2021 bills and rebate portion on April 2023. During the hearing on 11.08.2023, your Company has approached CERC for payment of delay payment interest as per PPA of RGPPL with Central Railway. Company's plea was accepted by CERC and Central Railway has paid Rs 8.12 Crores within 4 weeks from reconciliation date i.e 30.08.2023.

iii) Review of Transmission charges levied by MSETCL for conveying 330MW interstate Power:

MSETCL has charged a higher transmission tariff in case of power supply to Indian Railways as compared to power supply to Daman & Diu (DD) and Dadra and Nagar haveli (DNH) using the same intervening network for interstate transmission supply of power flow. This translates into an additional financial burden of about Rs. 1.60 Lac/MW/month for RGPPL. Your Company has filed petition on 23.03.2020 to CERC. In the meanwhile, MSETCL approached CERC to include MSEDCL as a party in the issue. MSEDCL vide application dated 26.05.2021 pleaded for impleadment in the petition. Your Company vide application dated 17.06.2021 requested Hon'ble commission to dismiss the application of MSEDCL.

During the hearing held on 11.08.2023, CERC accepted the impleadment of MSEDCL considering as affected party and asked to file reply on merits before 14.09.23 and MSEDCL filed reply on 14.09.2023. The matter was heard by Hon'ble CERC on 13.10.2023 and it directed MSEDCL to appear on the next date of the hearing and also to submit the information sought from it. The commission also accepted the request of MSEDCL for submission before the commission. Commission directed MSEDCL to file its reply on an affidavit by 22.11.2023, with advance copy to the petitioner. The matter is listed for final hearing on 10.01.2024.

5. CAPITAL STRUCTURE

a) The Authorised Share Capital of your Company is Rs.10000,00,00,000 (Ten Thousand crores) divided into 600,00,00,000 (Six Hundred Crore) Equity Shares of Rs.10 each aggregating to Rs.6000,00,00,000 (Six thousand crore) and 400,00,00,000 (Four hundred crore) Cumulative Redeemable Preference Shares of Rs.10/- each aggregating to Rs.4000,00,00,000 (Four thousand crore)

b) As on 31st March, 2023 the paid-up equity share capital of the Company is Rs. 3272,30,24,360 (327,23,02,436 equity shares of Rs. 10/- each).

c) As on 31st March, 2023 the paid-up preference share capital is Nil.

d) The Equity shareholding pattern is given below:

SHAREHOLDING PATTERN	
NTPC Limited	86.49%
MSEB Holding Co. Limited	13.51%

6. **DIVIDEND**

In view of accumulated losses, your Board of Directors could not propose any dividend.

7. **CAPITAL WORK IN PROGRESS (CWIP)**

The Capital Work in Progress as on 31st March 2023, was Rs.0.66 crore after impairing Rs.0.83 crore per IND AS 36 - "Impairment of Assets".

8. **FIXED DEPOSITS**

Your company has not accepted any fixed deposits during the Financial Year 2022-23.

9. **PARTICULARS OF LOANS, GUARANTEES, SECURITY AND INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Your Company has not given any loan, guarantee or made investment covered under the provision of Section 186 of the Companies Act 2013.

10. **SUBSIDIARY, JOINT VENTURE & ASSOCIATES**

Your Company does not have any Subsidiary, Joint Venture & Associates.

11. **CREDIT RATING OF THE COMPANY**

Credit rating of borrowings has been carried out by the CARE Edge Ratings Limited. CARE - BBB (Negative Triple B) has been assigned by CARE Edge Ratings. Instruments with the ratings are STABLE.

12. **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

During the Financial Year 2022-23 there has been no change in the nature of business of the Company.

13. **BOARD OF DIRECTORS AND MEETINGS OF THE BOARD**

a) Presently there are 4 Directors in the Company, Dr Anbalagan Ponnusamy, Shri Aditya Dar, Shri Praveen Saxena and Smt. Sangeeta Kaushik.

b) As per nomination received from MSEB Holding Co. Ltd, Dr Anbalagan Ponnusamy was appointed as Director in your Company with effect from 19th January, 2023 in place of Shri Sanjay Jagannath Khandare. The Board placed on record the appreciation of services rendered by Shri Sanjay Jagannath Khandare.

c) During the year, eight (8) Board Meetings were held i.e., on 28th April 2022, 06th May 2022, 03rd June 2022, 02nd August 2022, 06th September 2022, 27th December 2022, 28th February 2023 and 29th March 2023.

Attendance of Board Meeting

Name of Director	No. of Meeting attended during the year	No. of meeting eligible to attend during the year
Shri Sanjay Jagannath Khandare	5	6
Shri Praveen Saxena	7	8
Shri Aditya Dar	6	8
Smt. Sangeeta Kaushik	7	8
Dr. Anbalagan Ponnusamy	2	2

d) **Declaration of Independent Director**

As per the provision of the Companies Act, 2013 read with the Rules made thereunder your Company being a joint venture of NTPC Ltd & MSEB Holding Company Limited is not required to appoint Independent Directors. Hence, requirement of the statement on declaration by Independent Directors under Section 149(6) of the Companies Act, 2013, is not applicable.

e) **Performance Evaluation of the Directors & the Board**

Ministry of Corporate Affairs (MCA), through General Circular dated 5th June, 2015, has exempted Government Companies from the provisions of Section 178 (2) of the Companies Act, 2013 which provides about manner of performance evaluation of Board of Directors, Committees of the Board and Directors by the Nomination and Remuneration Committee. The aforesaid circular of MCA further exempted Government Companies from provisions of Section 134 (3) (p) of the Companies Act, 2013 which requires mentioning the manner of formal annual evaluation of the performance of the Board, its Committees and Individual Directors in Board's Report, if Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the Company, or, as the case may be, the State Government as per its own evaluation methodology.

Further, MCA, through Notification dated 5th July, 2017, has amended Schedule IV to the Companies Act, 2013 with respect to performance evaluation of Directors of the Government Companies that in case, performance evaluation is specified by the concerned Ministries or Departments of the Central Government or as the case may be, the State Governments and such requirements are complied with by the Government Companies, such provisions of Schedule IV are exempt for the Government Companies.

All the Directors of your Company are nominated by NTPC Ltd & MSEB Holding Co Ltd who are subject to evaluation in their respective Parent Company as per existing system and procedure.

14. MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion & Analysis is enclosed at **Annexure – A**.

15. AUDITORS

a) Statutory Auditor

M/s Khire Khandekar and Kirloskar, Chartered Accountants, Pune, were appointed by Comptroller & Auditor General of India, as the Statutory Auditor of your Company for the Financial Year 2022-23.

There are no qualifications by the Statutory Auditors on the Financial Statements of your Company for the Financial Year 2022-23.

b) Comptroller & Auditor General of India (C&AG) Review

The Comptroller and Auditor General of India (C&AG) vide its letter 25.10.2023 has given comments on the financial statement of your company for the year ended 31st March 2023 after conducting supplementary Audit under section 143 (6) (a) of the Companies Act 2013. The Comment of C&AG relates to "Cash and Cash equivalent" of Rs. 30.83 crore which had maturity beyond 3 months from the date of acquisition. As per Para 7 of Ind AS 7, an investment qualifies as a cash equivalent only when it has a short maturity upto 3 three months from the date of acquisition. Therefore, "Cash and Cash equivalent" is overstated and "other Bank Balances" is understated by net amount of Rs. 30.83 crore each.

The Comment of C&AG on the financial statement of your Company for the year ended 31st March 2023 and management reply on the observation of C&AG are being placed at Annexure - B

c) Secretarial Auditor

M/s Agarwal S. & Associates, Practicing Company Secretaries, were appointed by the Board of Directors as Secretarial Auditors for the year 2022-23. Secretarial Audit Report confirming compliance to the applicable provisions of the Companies Act, 2013 and other applicable laws along with the Company's response to the observations raised by the Secretarial Auditor is placed at Annexure – C.

d) Cost Audit

As prescribed under the Companies (Cost Records and Audit) Rules 2014, and as per the provisions of the sub-section (1) of the Sec 148 of the Companies Act 2013, the Cost Accounting Records are being maintained by your company.

M/s R.M. Bansal & Company, Cost Accountant, New Delhi, was appointed by your Board of Directors for the Financial Year 2022-23. The Cost Audit report for the financial year ending 31st March 2023 has been approved by the Board of Directors. There is no reservation/qualification or observation/suggestion in their report by the Cost Auditors.

e) Internal Auditor

Your Board of Directors had appointed M/s. Sandip Desai & Co, Chartered Accountants, as the Internal Auditors of your Company for the Financial Year 2022-23.

16. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS.

Your Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and General Meetings.

17. IMPLEMENTATION OF FRAUD PREVENTION POLICY

The Fraud Prevention Policy has been formulated, but it is under revision as per the present scenario of the Company. However, during the year no instance of fraud was reported.

18. WHISTLE BLOWER POLICY

Your Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. Your Company has a Vigil mechanism/ Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Chairman of the Audit Committee or to Managing Director/ Company Secretary for putting up to Audit Committee.

No personnel of the Company had been denied access to the Chairman of Audit Committee.

19. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

During the year 2022-23, no complaints of sexual harassment were received.

20. COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, your Board has constituted an Audit Committee and Corporate Social Responsibility (CSR) Committee.

The terms of reference of these Committees are determined by the Board.

a) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility policy indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR policy and recommending the amount to be spent on CSR activities.

Your company, as a socially responsible corporate entity, desires to contribute towards sustainable development by discharging Corporate Social Responsibility (CSR) that would positively impact its customers, employees, shareholders, communities and the environment in various aspects of its operations. Your company has developed a comprehensive CSR policy.

Your Company is not required to contribute in CSR activities as per the relevant provisions of the Companies Act, 2013, as the Company has continued losses. Therefore, no CSR Committee Meeting was convened during the Financial Year 2022-23. Further, meeting of the CSR Committee may be convened as per the requirements and on the occasions when Company secures average net profits in the three immediately preceding financial years.

The Annual Report on CSR activities is annexed herewith marked as Annexure -D.

b) Audit Committee

As per the Ministry of Corporate Affairs' notification dated 5th July 2017, your Company is not required to constitute an Audit Committee under the Companies Act, 2013. However, your Company has continued with the constitution of the Audit Committee.

The Audit Committee acts as a link between the various Auditors of the company namely, Statutory, Cost & Internal Auditors and the Board of Directors of the Company. Its purpose is to assist the Board in fulfilling its responsibilities of monitoring financial reporting, reviewing the financial statement and statement of cash flow and reviewing the Company's Statutory, Internal and Cost Audit activities.

During the year,5 (Five) Audit Committee Meetings were held on 05th May 2022, 25th June 2022, 02nd September 2022, 23rd January 2023 and 23rd March 2023.

c) Nomination & Remuneration Committee

As per the applicable provisions of the Companies Act, 2013 read with Rules made thereunder, your Company is not required to constitute a Nomination & Remuneration Committee under the Companies Act, 2013.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information of your company pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished at Annexure E.

22. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors hereby state and confirm that:

a) in the preparation of the annual financial statements, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgements 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 that period;

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

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

23. EXTRACT OF ANNUAL RETURN

Pursuant to notification issued by the Ministry of Corporate Affairs on 28th August, 2020 amending section 92(3) of the Companies Act, 2013 and the rules framed there under, the mandatory requirement for attaching extract of annual return with the Board's report has been omitted, hence the company is not attaching the extract of annual return with this report.

Further pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 the Company has placed a copy of the Annual Return as at March 31, 2023 on its website.

24. RISK MANAGEMENT

The Management of your Company has framed the risk management policy for your Company including identification of the elements of risk.

25. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Currently, your Company does not have any long- term Power Purchase Agreement and is supplying power to the gird as per the schedule given by NLDC/WLRDC. Further, your Company is not having any long-term gas agreement other than non-APM gas.

Your Company is also exploring for short term power supply to Indian Railways & TANGEDCO and submitted offer multiple times based on Fuel offer submitted by fuel suppliers. However, even in such tough times, Company does not anticipate any risks in its ability to continue as a going concern and is confident to meet its liabilities as and when they fall due.

26. SIGNIFICANT OR MATERIAL ORDERS WERE PASSED BY THE REGULATORS OR COURT OR TRIBUNAL WHICH IMPACT THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

a) True Up Tariff Order for the period FY 2014-19:

Hon'ble CERC vide its order dated 08.03.2021 has passed the tariff order after truing up for the tariff period FY2014-19. The impact of GST & 3rd Pay revision to employee were not considered by Hon'ble commission. RGPPL filled the review petition in APTEL on 20.04.2021 for consideration of GST & employees Pay revision for the tariff period FY 2014-2019. Last proceedings was recorded by Registrar was on 26.05.2022, pleadings are complete in this matter. The appeal shall be included in the List of finals hearing and shall be taken up accordingly.

b) MSEDCL legal proceeding

Dabhol Power Plant was envisaged to supply power to state of Maharashtra with connectivity for power evaluation to only Maharashtra state transmission utility. Hon'ble High Court on 22nd September 2005, has given the consent for lump sum transfer of Rs 8,485.45 crores assets of Dabhol power plant, generating units and integrated LNG terminals transferred to Special Purpose vehicle (SPV).

RGPPL had PPA with MSEDCL for 100% capacity and is was commissioned in 2009. In March 2010, MOP has given an allocation order to make it a Mega Power Plant, and to allocate 1% to Goa. 2% to Union Territory of Daman and Diu, and 2% to Dadra and Nagar Haveli and remaining 95% to state of Maharashtra.

After gas supply from KG-D6 was completely stopped in 1st march 2013. RGPPL continued declaring DC on rostering of 0.9 MMSCMD Non-APM domestic gas for 15- 20 days in month from April, 2013 to August, 2013. MSEDCL and other beneficiaries also scheduled and paid on domestic gas.

Company filed petition in CERC for declaring DC on RLNG. CERC vide its order dated 30.07.2013 considered RLNG as primary fuel & allowed RGPPL to declare DC on RLNG. On the basis of this order, RGPPL started declaring DC on RLNG w.e.f 13.08.2013 to recover fixed charges irrespective of the scheduling done by the beneficiaries.

MSEDCL vide letter dated 08th May 2014, unilaterally terminated the PPA citing higher cost of generation from RGPPL. RGPPL requested MSEDCL to take power on 0.9 MMSCMD Non – APM domestic gas. But MSEDCL showed unwillingness to take RGPPL power citing unilateral termination of PPA. RGPPL started declaring the capacity on non-APM domestic gas and have been billing to MSEDCL and other beneficiaries went to Rs. 5,506.28 crores including principal and surcharges.

RGPPL's Board in its 138th Meeting accorded approval for filing petition for execution before APTEL in the matter of recovery from MSEDCL. The matter was listed before the APTEL on 24th January 2023. However, MSEDCL filed civil appeal on 30.01.2023 before the Supreme court. RGPPL filed has filed its reply and rejoinder in the matter. On 10th October 2023 extensive hearing was done and the matter is reserved for order.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL REPORTING:

To ensure statutory compliances as well as to provide highest level of Corporate Governance, your company has robust internal financial control system. Also, in order to ensure that all checks and balances are in place and all internal control system with reference to financial reporting are in order, regular and exhaustive internal audits are conducted by an experienced firm of Chartered Accountants in close co-ordination with the finance department of the company.

Beside above, the company has an Audit Committee to keep a close watch on compliance with Internal Control Systems. A well-defined Internal Controls framework has been developed by an external expert M/s KPMG Ltd. The said Internal Control framework provides the key controls which assess the effectiveness of the company's internal control over financial reporting.

During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

28. CORPORATE GOVERNANCE

Your Company believes that good corporate governance is critical in establishing a positive organizational culture which is evident by the virtues of responsibility, accountability, consistency, fairness and transparency it follows towards its stakeholders. Accordingly, a report on Corporate Governance forms part of this report at Annexure – F.

A Practicing Company Secretary has examined and certified your Company's compliance with respect to conditions enumerated in the DPE Guidelines on Corporate Governance. The certificate forms part of this report at Annexure – G.

29. SOCIETAL CONNECT

Since its inception, your Company has made continuous and generous efforts towards betterment of society. These efforts can be seen in the connect that your Company has made over the years with people of nearby areas. Your Company through its various activities has tried to help people in every possible manner.

Taking this public spiritedness forward, this year your Company has undertaken following activities:

- Fixing Solar lights (LEDs) from Gate No - 01 to RGPPL Township from Anjanwel Phata to KLL Junction Road.
- Opening of Ayush Clinic at nearby village at Veldur on 05.06.2022.
- Swachta Abhiyan campaign by RGPPL in nearby villages.
- Donated computer system to Ranvi Primary School.
- Distribution of Vivekanand Motivational Books in all schools of nearby vicinity.
- Distribution of plant saplings to nearby villagers on 28.07.2022.
- Cleanliness Drives at Anjanwel & Guhagar Sea Beach.
- Yoga Classes conducted in nearby village schools and ITI college.

30. PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, no application was made or any proceeding was pending under the Insolvency and Bankruptcy Code, 2016.

31. ONE TIME SETTLEMENT AND VALUATION

During the financial year 2022-23 no event has taken place that gives rise to reporting of details w.r.t. difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions.

32. FUTURE PLAN

As an optimistic approach, your management is hopeful to utilize full capacity of station. For implementation of this plan, your station has already taken initiatives for the revival of block-1. The most critical activity of Block-1 is Cooling Tower revival (replacement with FRP towers). Technical specifications of Cooling Tower -1 were vetted by Corporate Engineering group and proposal is in progress.

Also, for sustainable and environment friendly operation of your station, your board has approved the installation of 10 MW Renewable Energy Service Company (RESCO) model Solar Power Plant at an area of 49 acres for which MIDC has already given clearance.

33. OTHER MATTERS OF CONCERN:

1. For the sustainability & revival of RGPPL at the time of finalising fixed tariff of Rs.5.50/unit, under long term PPA with Indian Railways certain exemptions/benefits were envisaged to be extended to your Company. However, the company has faced the following challenges:

a. Non-Waiver of Transmission Charges & Losses

Maharashtra transmission charges & losses was envisaged at Rs. 0.29/Kwh & Rs 0.18/Kwh respectively. On the contrary, the company has paid Rs. 0.91/Kwh as transmission charges & Rs. 0.32/kwh as losses during the FY 2021-22 which amounts to Rs. 395.66 crore & Rs. 137.16 crore respectively. Your company has filed petition before MERC, praying for :

(a) Grant for waiver of transmission charges, losses and refund additional money paid / incurred by RGPPL on account of non-grant of waiver of transmission charges and losses during the period of 01.04.2017 to 31.03.2022 when RGPPL was serving Indian Railways power demand.

(b) To implement Contract Path Method prospectively as advised by CERC vide petition No. 153/MP/2018 and 154/MP/2018 by Daman & Diu, Dadra and Nagar Haveli and Goa- CERC vide order dated 04.02.2021 for usage of transmission lines for supply of power outside Maharashtra from RGPPL.

The petition is registered by MERC and notice issued to MSETCL on 22.08.2023. E-hearing date expected after MSETCL file their reply and RGPPL will file rejoinder if required.

b. Issues with GAIL (India) Limited

I. Ship or pay under GAIL for KG-D6 domestic gas transportation:

Amount receivable from GAIL: Rs 41.17 Crore:

Full curtailment of gas to RGPPL from KG D6 Basin was done from 01.03.2013 by Reliance (RIL). Subsequently RGPPL issued a force majeure notice as per GTA on 02.03.2013. RGPPL paid Rs. 41.17 Crores under protest for Ship or Pay for the month of March 2013 & June 2013 to avoid the interest burden. RGPPL is requesting refund of the same.

RIL has communicated regarding the reduction of DCQ to zero on 23.09.2023 (Kakinada to Mashkal line). Subsequently, RGPPL vide letter dated 26.09.2013, communicated to GAIL for reduction of MDQ to zero w.e.f. 01.10.2013. However, GAIL has accepted for zero MDQ w.e.f. 01.11.2013.

GAIL is demanding payment of ship or pay of Rs. 113.64 Crores for the month Apr’13, May’13, July’13, Aug’13, Sep’13 & Oct’13. Notice received on 15.03.2023 from GAIL for Invocation of Arbitration under clause no. 16 of the GTA dated 16.09.2009 due to non-payment of outstanding SoP dues.

RGPPL replied to the notice on 06.04.2023 stating the position that the said event is a "Force majeure" condition, as per provisions of GTA & accordingly no SOP charges are applicable. Notice received on 19.04.23 from GAIL for Invocation of Arbitration under clause no. 16 of the GTA dated 16.09.2009 due to non-payment of outstanding SoP dues.

II. Excess transmission Charges claimed by GAIL under RLNG GSA 29.03.2017:

GAIL Claim: Rs 69.61 Crore, Payable as per RGPPL: Rs. 8.77 Crore

GAIL was charging INR component along with base rate, which is a bundled rate of transportation charges, regasification charges & marketing margin along with taxes, in line with meeting held in PMO/MoP.

The GAIL was passing the differential transportation tariff w.e.f. 01.04.2018 after revision of PNGRB tariff order dated 10.12.2018 to RGPPL, which was not in line with the corresponding incremental charges as per the discussion held in PMO/MoP meeting. RGPPL requested to revise the INR component of RLNG as per the same methodology adopted in line with discussion held in the PMO/MoP. GAIL is raising invoice for differential in transmission tariff i.e Rs (39.85-24.65) = 15.20/ MMBTU for May to Sep 2017 & Rs (29.55-24.41) = Rs 5.14 for October to April 2017 as a separate component till the end of contract ie March 2022 which was not in line with RLNG GSA dated 29.03.2017.

As per RGPPL, INR component to be recalculated based on new transmission tariff on same methodology adopted in line with discussion held in the PMO/MoP.

III. Refund of deferential regasification charges by GAIL to RGPPL:

Amount receivable from GAIL w.r.t regasification charges:

RGPPL had paid the differential regasification charge of Rs 15.86 crores of PLL Dahej & KLL to GAIL as per RLNG GSA side letter dated 29.03.2020 clause 1.2(i)(b) for the period 01.04.2018 to 15.03.2019. KLL had reduced regasification charges from 01.04.2018 equal to PLL Dahej. Differential amount of Rs 15.86 Crores paid by RGPPL has to be refunded by GAIL. GAIL agree for refund after solution of other issues.

IV. Take or Pay claim under GSA dated 29.03.2017 for supply of power to Railways

For the supply of 540 MW power to Indian railways, gas allocation was 1.75 RLNG and 0.6 NAPM. The RLNG GSA with 100 % ToP clause, reason for Take or Pay claim as given below.

GAIL has issued Annual statements of settlement as per clause 12.2 of GSA

CY 2019: Rs.327.31 Crores dated 24.02.2020

CY 2020: Rs.791.96 Crores dated 01.03.2021

CY 2021: Rs. 473.41 Crores dated 08.03.2022

CY 2022: Rs. 134.06 Crores dated 28.02.2023

Total claim was Rs. 1726.73 Crores.

Gail communicated vide letter dated 20.03.2023 that claim for CY 2020 Rs. 791.96 crores were reduced to 195.72 Crores and for CY 2021 Rs. 473.14 crores were NIL after mitigation as per clause 14(b) of GSA. Through vide letter dated 26.06.2023, claim for CY 2022 ie Rs. 134.06 crore was revised to 118.85 Crores.

Considering the revised claim. Remaining ToP amount is Rs. 641.88 crore.

2. Bank Guarantee with Customs Department

Ministry of Finance gave conditional clearance on 29.03.2012 for merchant sale of LNG tolling of LNG terminal for merchant purposes and modified the port notification accordingly, subject to submission of Bank Guarantee as security against the custom duty along with interest applicable on the equipment imported for LNG Terminal which were exempted earlier, for the period till the exemption is restored by the CCEA. Accordingly, your company had furnished Bank Guarantee for Rs. 80.00 crore in favor of President of India through the Commissioner of Customs, Pune in support of the same.

After demerger, all the assets and liabilities pertaining to LNG segment have been transferred to Konkan LNG Ltd including the liability of Rs. 80.00 crore relating to the custom department pertaining to equipment imported for LNG Terminal.

Your Company is required to continue the Bank Guarantee of Rs. 80.00 crore pertaining to LNG Terminal to the Customs Department even after Demerger as name of the company is appearing in the records of Import maintained by Customs Department. However, the related commission is being directly paid by Konkan LNG Ltd. All the documents regarding the Power Part- RGPPL were submitted and reconciliation statements as per the custom format were also submitted. Your Company has made continuous efforts to reconcile Bill of entries of the project import.

RGPPL was also held responsible for payment of Custom Duty along with KLL. RGPPL has filed Appeal before Commissioner- Appeals, Customs. The matter was considered for Personal Hearing, where RGPPL was represented on 07.08.2023 before Commissioner- Appeal, Customs, NCH- Mumbai. The request for renouncing RGPPL from the responsibility of Custom Duty for LNG portion as per the demerger scheme and to redeem the Rs. 80 Crores of Bank Guarantee submitted at Customs- Dapoli.

34. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions entered during the year by your Company were on arm's length basis, and duly disclosed in the Financial Statements. Further, particulars of Contracts or Arrangements made by your Company with related parties pursuant to Section 188 of the Companies Act, 2013 are disclosed herewith in Form AOC-2 annexed as "Annexure -H" of the Directors' Report.

35. GENERAL

Your Directors state that no disclosure or reporting is required in respect of following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential right to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

36. ACKNOWLEDGEMENTS

Your Directors acknowledge with deep sense of appreciation and cooperation received from the Government of India, particularly Ministry of Power, Ministry of Petroleum & Natural Gas, Ministry of Finance, Ministry of Railways and State Government of Maharashtra.

The Board also conveys its gratitude to the shareholders namely NTPC Limited and MSEB Holding Company Limited for the confidence reposed by them in your Company. The Board also appreciates the contribution of associate agencies, contractors, vendors and consultants in the implementation and operation & maintenance of the Power Block of your Company. The Board acknowledges with thanks the constructive suggestions received from C&AG and Company's Auditors.

The Directors want to express their deep appreciation and best wishes to all the shareholders for the continued support and trust they have reposed in the Management. The Board also wishes to place on record its appreciation for the untiring efforts and contributions made by the employees at all levels to ensure that the Company continues to grow and excel. The Directors look forward to a bright future and further growth with confidence.

For and on behalf of the Board of Directors

(Praveen Saxena)
Chairman
DIN: 07944144

Place: Lucknow
Date: 17th November 2023

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

INTRODUCTION

Power is among the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate power infrastructure is essential for sustained growth of the Indian economy. The fundamental principle of India's power industry has been to provide universal access to affordable power in a sustainable way. The Ministry of Power has made significant efforts over the past few years to turn the country from one with a power shortage to one with a surplus by establishing a single national grid, fortifying the distribution network, and achieving universal household electrification.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power, to viable non-conventional sources such as wind, solar, agricultural, and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

India was ranked fourth in wind power capacity and solar power capacity and fourth in renewable power installed capacity, as of 2021. India is the only country among the G20 nations that is on track to achieve the targets under the Paris Agreement.

MARKET SIZE

India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 416.59 GW as of April 30, 2023.

As of April 30, 2023, India's installed renewable energy capacity (including hydro) stood at 172.54 GW, representing 41.4% of the overall installed power capacity. Solar energy contributed 67.07 GW, followed by 42.86 GW from wind power, 10.24 GW from biomass, 4.94 GW from small hydropower, 0.55 from waste to energy, and 46.85 GW from hydropower.

The non-hydro renewable energy capacity addition stood at 4.2 GW for the first three months of FY23 against 2.6 GW for the first three months of FY22.

India's power generation witnessed its highest growth rate in over 30 years in FY23. Power generation in India increased by 8.87% to 1,624.15 billion kilowatt-hours (kWh) in FY23. According to data from the Ministry of Power, India's power consumption stood at 130.57 BU in April, 2023.

The peak power demand in the country stood at 226.87 GW in April, 2023.

The coal plants registered a PLF of 73.7% for the first nine-months period in FY23 compared to 68.5% in FY22 for the same period.

Thermal power plant load is estimated to improve by 63% in FY24, fuelled by strong demand growth along with subdued capacity addition in the sector.

EXISTING INSTALLED CAPACITY

INSTALLED GENERATION CAPACITY (SECTOR WISE) AS ON 31.05.2023

Sector	MW	% of Total
Central Sector	1,00,055	24.0%
State Sector	1,05,726	25.3%
Private Sector	2,11,887	50.7%
Total	**4,17,668**	

GOVERNMENT POLICIES & INITIATIVES

The Government of India has identified the power sector as a key sector of focus to promote sustained industrial growth. Some initiatives by the Government to boost the Indian power sector are as below:

- In the Union Budget 2022-23, the government allocated US$ 885 million (Rs. 7,327 crore) for the solar power sector including grid, off-grid, and PM-KUSUM projects.
- Under the Union Budget 2022-23, the government announced the issuance of sovereign green bonds, as well as conferring infrastructure status to energy storage systems, including grid-scale battery systems.
- The Green Energy Corridor projects have been initiated to facilitate renewable power evacuation and reshaping the grid for future requirements. As on October 2022, 8651 ckm of intra-state transmission lines have been constructed and 19,558 MVA intra-state substations have been charged.
- To encourage rooftop solar (RTS) throughout the country, Ministry New and Renewable Energy has developed a National Portal wherein any residential consumer from any part of the country can apply for rooftop solar without waiting for Discom to finalize tender and empanel vendors. Since the launch on July 30, 2022, the total number of applications received on the national portal is for 117 MW solar capacity and the feasibility of more than 18 MW projects is granted.
- Production Linked Incentive Scheme (Tranche II) on 'National Programme on High Efficiency Solar PV Modules', with an outlay of US$ 2.35 billion (Rs. 19,500 crore) was approved and launched.
- As of August 24, 2022, over 36.86 crore LED bulbs, 72.18 lakh LED tube lights and 23.59 lakh energy-efficient fans have been distributed across the country, saving around 48,411 million kWh per year and around Rs. 19,332 crore (US$ 2.47 billion) in cost savings.
- As of November 2022, over 51.62 lakh smart metres have been deployed under the National Smart Grid Mission (NSGM), with a further 61.13 lakh to be deployed.
- Electrification in the country is increasing with support from schemes like Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY), Ujwal DISCOM Assurance Yojana (UDAY), and Integrated Power Development Scheme (IPDS).
- In order to meet India's 500 GW renewable energy target and tackle the annual issue of coal demand supply mismatch, the Ministry of Power has identified 81 thermal units which will replace coal with renewable energy generation by 2026.

ROAD AHEAD

In the current decade (2020-29), the Indian electricity sector is likely to witness a major transformation with respect to demand growth, energy mix and market operations. India wants to ensure that everyone always has reliable access to sufficient electricity, while also accelerating the clean energy transition by lowering its reliance on dirty fossil fuels and moving toward more environmentally friendly, renewable sources of energy. Future investments will benefit from strong demand fundamentals, policy support and increasing government focus on infrastructure.

The Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 GW of power through solar rooftop projects by 2022. It also plans to set up 21 new nuclear power reactors with a total installed capacity of 15,700 MW by 2031.

The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030. Also, by 2029-30, CEA estimates that the share of renewable energy generation would increase from 18% to 44%, while that of thermal energy is expected to reduce from 78% to 52%.

The government plans to establish renewable energy capacity of 500 GW by 2030.

**References: Central Electricity Authority, Ministry of New and Renewable Energy, Media Reports, Press Releases, Press Information Bureau (PIB), Union Budget 2022-23, Union Budget 2023-24

SWOT ANALYSIS

Strength and Opportunity:

The Company is one of the largest Combined Cycle Gas power plants in India with a generation capacity of 1967 MW. The Company boasts itself as the most efficient, reliable & environment friendly station with heat rate of 1820 Kcal/Kwh,60 MW/minute ramp rate and NOx emission of less than 27 ppm. The most advanced class 9FA Gas Turbines were supplied by General Electric UK. The company is located at a most advantageous strategic location in the vicinity of two LNG regasification terminals. This provides an excellent opportunity for the company to sustain its existence in the forthcoming competitive environment for Gas based generating plants globally. Geographical location of the company is also one of the added advantages. The company has tapped the opportunity of its hilly terrain to utilize the natural flow of rain water to divert into its large reservoir of storage capacity 1.2 Lakh cubic meter. The company has thus become self-sustainable in its water front with a rain harvested water capacity of 3.25 Lakh CuM per year utilizing its four storage tanks in addition to the reservoir.

Weakness/Threats:

Gas supply is the major concern for the company now. Natural Gas (Domestic Gas/Degasified Liquid Natural Gas (RLNG) is the major fuel for generation. Generation largely depends upon RLNG as no domestic gas is allocated by the Government to the company. Price of RLNG is main deciding factor for cost of generation. With the increase in cost of fuel, the cost of generation shall also increase substantially, which will affect the viability of company as it has to compete with other power generating companies using Coal/renewable fuel as input. Due to growing price of gas, company is not able to generate. The long-term Power Purchase Agreement (PPA) with Indian Railways also ended on 31.03.2022. PPA by major beneficiaries is not being honored. Plant is being operated intermittently as per national grid requirement and as per requirement of some other states.

Risk, Concerns and Their Management

No PPA/ commitment from any buyer is one of the major concerns for the company albeit it is a most reliable and efficient power available with limited generation, maintaining the huge national asset is a challenge to the company when there is diminishing revenue by sale of power. Further, routine Repair and Maintenance of these assets along with preservation activities of the equipment is also a big task for the Company.

As Company is under financial crisis, Management of fund for day-to-day activities including routine maintenance, salary of the employees and contract workers also a big challenge.

The management is on its toes to grab any opportunity to make the company sustainable as was demonstrated by tapping the opportunity during April-Sep 2023, when 735.06 million units' power was supplied to national grid and requirement of other states. Company is ready to grab such opportunities in near future too.

With increasing stability in the international market, prices of Gas have also come down, which was exorbitantly high in previous year. It has given the Company a ray hope for supplying power at a cheaper rate as compared to Coal or Hydro based power plants and therefore, Company is continuously looking for an opportunity for entering short term / Long term PPA with prospective buyers.

INTERNAL CONTROL

The Company has adequate internal systems commensurate to the size of the company and processes for efficient conduct of business. The Company is complying with relevant laws and regulations. It is following delegation of powers as is being followed in NTPC Limited. The financial statements are prepared in accordance with generally accepted accounting principles in India, accounting standards notified under Companies (Accounting Standards) Rules, 2006, read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs, the Companies Act, 2013 (to the extent notified and applicable) and the provisions of the Electricity Act, 2003 to the extent applicable from time to time and as per the guidelines issued from NTPC Limited.

In order to ensure that all checks and balances are in place and all internal systems are in order, regular and exhaustive internal audits are conducted by experienced firm of Chartered Accountants. Further, in order to strengthen the internal control mechanism in the Company, your Company has implemented SAP B1 and it is helping the Company in retrieving data and maintaining systematic backup.

Beside above, the company has an Audit Committee to keeps a close watch on compliance with Internal Control Systems. A well-defined Internal Controls framework has been developed by an external expert M/s KPMG Ltd. The said Internal Control framework provides the key controls which assess the effectiveness of the company's internal control over financial reporting.

During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

PERFORMANCE DURING THE YEAR

Operational Performance

The physical parameters of the company are as follows:

Particulars	2022-23	2021-22
Generation (in MUs)	315.94	3,143.00
Sales (in MUs)	287.55	2,998.84
PLF	1.83%	18.24%

During the year the generation and sales of the company has decreased.

The operational performance of the company during the last five years are given below in tabular representation:

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Gross Generation (MU)	4466	4264	2574	3143	315
Gross Sale (MU)	4377	4179	2506	2999	288

Financial Performance

The Company does not have any Subsidiary, Joint Venture & Associates Company. Therefore, provisions of Section 129 of the Companies Act, 2013, related to consolidation of Financial Statements are not applicable.

The financial statements for the year ended 31st March 2023 in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The major financial highlights are as under:

(Rs. in crore)

Revenue	2022-23	2021-22
Revenue from operations	494.78	1,955.34
Other income	46.53	57.64
Total revenue	541.31	2,012.98
Expenses		
Fuel cost	379.49	1,312.33
Energy purchase	-	413.93

Revenue	2022-23	2021-22
Employee benefits expense	25.84	25.45
Finance costs	100.85	102.81
Depreciation and amortization expense	6.23	29.93
Other expenses	179.70	118.10
Impairment of non-current assets	28.80	228.16
Total expenses	**720.91**	**2,230.71**
Profit/(Loss) for the year	**(179.60)**	**(217.73)**

An impairment loss of Rs. 28.80 crore (previous year Rs. 228.16 crores) is recognized in the books based on impairment study report submitted by independent valuer M/s ProXcel Advisory Services Private Limited, engaged by the Company as per requirement of IND AS-36.

A total income of Rs. 541.31 crores during Financial Year 2022-23 has been recorded as against Rs. 2,012.98 crores in the previous year. Further, Expenses decreased mainly on account of fuel cost, energy purchases, Finance cost and impairment of non-current assets during the year.

The Total Revenue of the company for the last five years is as given below:

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue (Cr.)	2,118.05	2,116.82	1,138.96	1,955.34	494.78

Also, the Earnings before Interest, Depreciation, Tax & Amortization (EBIDTA) of last five years are summarized as below:

Year	2018-19	2019-20	2020-21	2021-22	2022-23
EBIDTA (Cr.)	372.99	368.19	209.44	143.17	(43.72)

FINANCIAL INDICATORS

The various performance indicators for the financial year 2022-23 as compared to financial year 2021-22 are as under:

(Rs. In crore)

	Description	2022-23	2021-22
1	Total Revenue	541.31	2,012.98
2	Total Expenses	720.91	2,230.71
3	Profit after Tax	(179.30)	(217.73)
4	Share Capital	3,272.30	3,272.30
5	Reserves & Surplus	(3,341.83)	(3,162.23)
6	Net Worth	(69.53)	(110.07)
7	Capital Employed	895.68	1,110.23
8	Return on Capital Employed %	-ive	-ive
9	Debt Equity Ratio%	0.29	0.31
10	Earnings per share	(0.55)	(0.67)

HUMAN RESOURCE MANAGEMENT

As on 31st March 2023, the Company had total strength of 59 employees out of which 29 employees were on secondment from NTPC and 30 employees were on the rolls of your Company. All the employees in your company are at executive level. Further, out of 59 employees 6 are women employees. The employee relations environment during the year remained cordial.

The Manpower position at RGPPL as a whole is summarized as below:

MANPOWER			
NTPC Ltd.		RGPPL	
Men	Women	Men	Women
25	4	28	2
Total NTPC employees	29	Total RGPPL employees	30
TOTAL Employees -59			

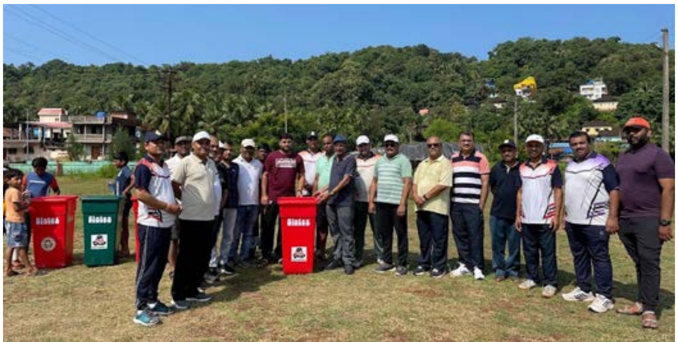
MAITRI CLUB formerly Known as RGPPL Employee Welfare Association (REWA)

Maitri Club (Formerly known as REWA) is a civic body that represents the interests of the residents in various welfare activities at RGPPL Colony. Since its inception, Maitri Club has been actively organizing various activities, events, functions towards promoting cultural and recreational requirements of employees and their family members at RGPPL site at regular period.

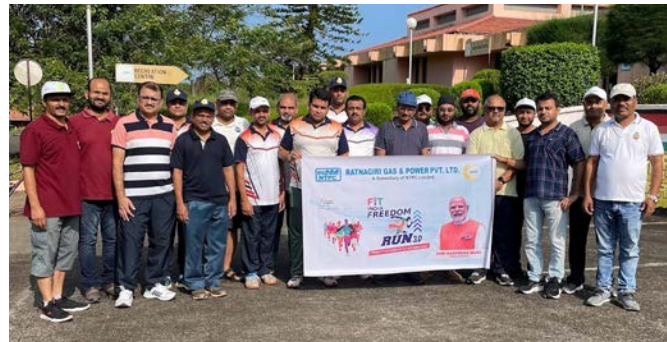
Social Awareness

Your Company also took various step to improve the conditions and problems of the surrounding areas. Major activities took by your company were:

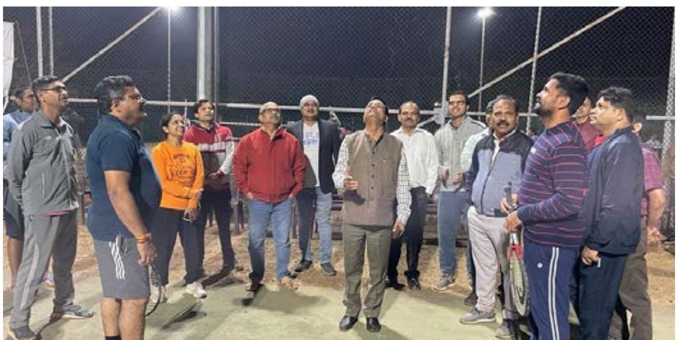
- In order to protect the environment of surrounding villages and increase awareness cleanliness drives at Anjanwel site were organized.
- 5S awareness program in BBPS.



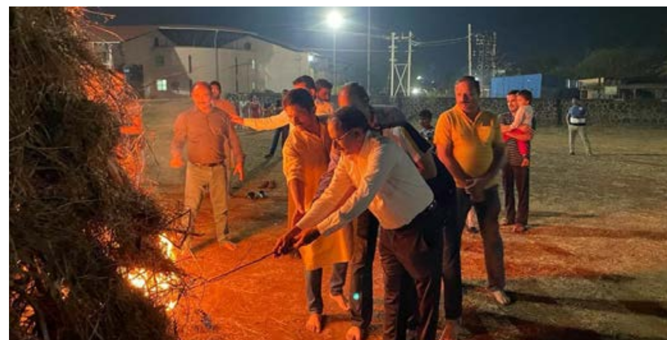
Anjanvel Beach cleaning drive



Fit India freedom Run- Oct 22



ROSE Event Dec 22- Jan 23



Holika Dahan on March 2023

- Suggestion mela on theme of 5S, Safety & APC reduction.
- Handing over of PC to Ayush Clinic, Veldur
- Blood donation camp organized by your Company.

OUTLOOK

In the previous FY 2021-22 gas prices were sky high internationally and as a reason company could not generated power at an affordable price. However, in FY 2022-23 Gas prices have come down and this come as a ray of hope for the Company. Even though for short period, Company has operated twice during the Crunch period as per the instruction of Government of India. Company is very optimistic that with reduced gas prices, it will get into a Power Purchase agreement with prospective buyers. Company has submitted several offers to Indian Railways & TANGEDCO for entering short/ long term PPA.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing objectives, projections, and estimates, are forward-looking statements and progressive, within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental/related factors.

For and on behalf of the Board of Directors

(Praveen Saxena)
Chairman
DIN: 07944144

Place: Lucknow
Date: 17th November 2023

D GA(E)/R/01-176/AC-RGPL2/2023-24/289.

भारतीय लेखापरीक्षा और लेखा विभाग
कार्यालय महा निदेशक लेखापरीक्षा (ऊर्जा)
नई दिल्ली

सत्यमेव जयते

INDIAN AUDIT & ACCOUNTS DEPARTMENT
Office of the Director General of Audit (Energy)
New Delhi

75 आज़ादी का अमृत महोत्सव

Dated: 25-10-23

सेवा में,

अध्यक्ष,
रत्नागिरी गैस एंड पावर प्राइवेट लिमिटेड,
महाराष्ट्र ।

विषय: 31 मार्च 2023 को समाप्त वर्ष के लिए रत्नागिरी गैस एंड पावर प्राइवेट लिमिटेड, महाराष्ट्र के वार्षिक लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, रत्नागिरी गैस एंड पावर प्राइवेट लिमिटेड, महाराष्ट्र के 31 मार्च 2023 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणी अग्रेषित कर रहा हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

भवदीय,

संलग्नक:- यथोपरि।

संजय कुमार झा
(संजय कु. झा)
महानिदेशक

पांचवा, छठा, सातवाँ, एवं दसवां तल, सी.ए.जी. बिल्डिंग, एनैक्सी, 10, बहादुर शाह जफर मार्ग, नई दिल्ली-110002
5th, 6th, 7th & 10th Floor, C.A.G. Building Annexe, 10, Bahadur Shah Zafar Marg, New Delhi - 110002
Tel. 011-23239213, 23239235, Fax: 011-23239211, Email: pdaenergydl@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RATNAGIRI GAS & POWER PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of Ratnagiri Gas & Power Private Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 August 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Ratnagiri Gas & Power Private Limited for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matter under section 143(6)(b) of the Act which has come to my attention and which in my view is necessary for enabling a better understanding of the financial statements and the related audit report.

Comments on Financial Position

1. Balance Sheet
Cash and Cash Equivalents (Note 11) - ₹37.43 crore
Bank balances other than cash and cash equivalents (Note 11) - ₹163.37 crore

As per Para 7 of Ind AS 7, an investment qualifies as a cash equivalent only when it has a short maturity up to three months from the date of acquisition.

'Cash and Cash Equivalents', however, includes investments of ₹30.83 crore which had maturity beyond 3 months from the date of their acquisition.

'Cash and Cash Equivalents' is, therefore, overstated and 'Other Bank Balances' is understated by net amount of ₹30.83 crore each.

Also, 'Cash and cash equivalents at the end of the year' appearing in the bottom lines of the 'Cash Flow Statement' is overstated and 'Bank Balances other than cash and cash equivalents' under 'Cash Flow from Investing Activities' therein, is understated, by ₹30.83 crore each.

For and on behalf of the
Comptroller & Auditor General of India

(Sanjay K. Jha)
Director General of Audit (Energy)

Place: New Delhi
Dated: 25 October 2023

C& AG Comment	Management Reply
Current Assets - Financial Assets **Cash & Cash equivalents (Note 11): ₹ 37.43 Crore** **Bank Balances other than Cash & Cash equivalents (Note 11): ₹ 163.37 Crore** As per Para 7 of Ind AS 7, an investment qualifies as a cash equivalent only when it has a short maturity up to three months from the date of acquisition. 'Cash and Cash Equivalents', however, includes investments of ₹ 30.83 core which had maturity beyond 3 months from the date of acquisition. 'Cash & Cash equivalents' is, therefore, overstated and 'Other Bank Balances' is understated by net amount of ₹ 30.83 crore each. Also, 'Cash and cash equivalents at the endo of the year' appearing in the bottom lines of the 'Cash Flow Statement' is overstated and 'Bank Balances other than cash and cash equivalents' under 'Cash Flow from Investing Activities' therein, is understated, by ₹ 30.83 crore each.	Noted and it is hereby assured that the requisite disclosures shall be appropriately ensured in the Financial Statements from F.Y. 2023-24.

For and on behalf of the Board of Directors

(Praveen Saxena)
Chairman
DIN: 07944144

Place: Lucknow
Date: 17th November 2023

Form No. MR-3
Secretarial Audit Report
For the financial year ended 31 March, 2023

{Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,

The Members,

Ratnagiri Gas and Power Private Limited.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter: We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder,

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA") and the rules made thereunder; Not Applicable.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder,

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not Applicable.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-Not Applicable

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vi) Compliances/processes/systems under other applicable Laws to the Company are being verified by us on random sampling basis and we also relied on compliance report placed before the Board.

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

(a) Secretarial Standards issued by the Institute of Company Secretaries of India-Generally complied with.

(b) The SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015- Not Applicable.

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

We further report that the Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on the compliance mechanism followed by the Company and on the basis of compliance report placed before the Board periodically which has been taken on record by the Board, we are of the opinion that there are adequate systems and processes established in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Agarwal S. & Associates,**
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No. 2725/2022

Garima Grover
Partner
ACS No.: 27100
C.P.No.: 23626

Place: New Delhi
Date:18.05.2023
UDIN: A027100E000327180

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

"Annexure A"

To,
The Members,
Ratnagiri Gas and Power Private Limited.

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

(i) Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.

(ii) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(iii) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.

(iv) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.

(v) The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.

(vi) The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates,**
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No. 2725/2022

Garima Grover
Partner
ACS No.: 27100
C.P.No.: 23626

Place: New Delhi
Date:18.05.2023

Annexure D

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23

(Pursuant to Section 135 of the Companies Act, 2013)

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

RGPPL commits itself to contribute to the society, discharging its corporate social responsibilities through initiatives that have positive impact on society at large, especially the community in the neighborhood of its operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability. Contribute towards sustainable power development by discharging Corporate Social Responsibilities (CSR) that would positively impact its customers, employees, shareholders, communities, and the environment in various aspects of its operations by adapting best global practices thus ensuring

- Effective contribution to the Society
- Value Addition to Shareholders
- Growth & development of employees

Web Link to the CSR Policy

http://www.rgppl.com/policy/CSR-POLICY-RGPPL.pdf

2. Composition of the CSR Committee.

The Corporate Social Responsibility Committee of Board of Directors, comprises of following three Directors, which recommends to the Board for approval, the amount of expenditure to be incurred on the activities and monitor from time to time the policy for Corporate Social Responsibility approved by the Board.

1. Shri Aditya Dar
2. Shri P Anbalagan
3. Ms. Sangeeta Kaushik

Considering the losses, Company was not required to make any CSR expenditure, no meeting of CSR Committee was scheduled during the Financial Year 2022-23

3. Financial Details

Particulars	Rs. in crore
Average net profit/ loss of the Company for the last three financial years	(172.10)
Prescribed CSR Expenditure (2% of the average net profit)	Nil
Details of CSR Expenditure during the financial year:	
Total amount to be spent for the financial year	N.A.
Amount Spent	Nil
Amount unspent	N.A.

4. **Manner in which the amount spent during the financial year is detailed below:**

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) District expenditure on projects or programs. (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: direct or through implementing agency
	Nil	Nil	Nil	Nil	Nil	Nil	Nil

5. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.**

   Considering the financials of the Company for the immediately preceding 3 years, i.e., financial year 2019-20, 2020-21 & 2021-22, average loss of the RGPPL is Rs. 172.10 crore. Company is also facing financial constraints as Company is generating as per the Grid demand in absence of any Power purchase agreement.

6. This is to state that the implementation and monitoring of CSR policy is in compliances with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

(Sanjay Agarwal)
Chief Executive Officer

(Praveen Saxena)
Chairman
DIN-07944144

Place: Anjanwel & Lucknow
Date: 17th November 2023

Annexure E

Conservation of Energy, Technology Absorption & Foreign exchange earnings

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	*
(ii)	the steps taken by the company for utilizing alternate sources of energy	*
(iii)	the capital investment on energy conservation equipment	*

(b) Technology absorption

(i)	the efforts made towards technology absorption	*
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	*
(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	*
	(b) the year of import;	*
	(c) whether the technology been fully absorbed	*
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	*
(iv)	the expenditure incurred on Research and Development	*

* The Power plant has been operating at partial capacity leading to severe financial constraints. Your Company is following existing practices in the area of energy conservation & technology absorption and no significant capital infusion is done in respect of these areas.

(c) Foreign exchange earnings and Outgo

(i) Activities relating to exports: initiatives taken to increase exports; development of new export markets for products and services; and export plans:

Not Applicable

(ii) Total foreign exchange earned and used:

(Rs in crore)

Particulars	2022-23	2021-22
Foreign Exchange Earnings	**Nil**	Nil
Foreign Exchange Outgo	**42.10**	64.45

For and on behalf of the Board of Directors

(Praveen Saxena)
Chairman
DIN: 07944144

Place: Lucknow
Date: 17th November 2023

Annexure - F

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

The company adheres to good corporate practices and emphasizes on commitment to values and ethical business conduct. It believes in adopting the best practices laid down in different statutes and goes beyond adherence of statutory framework to being transparency, accountability and equity in all facets of its operations.

In its commitment to practice strong governance principles, the company is guided by the following core principles of corporate governance:

a) To build robust internal control processes & systems for enhancing accountability and responsibility

b) To ensure transparency and high degree of disclosure and adequate control system

c) To ensure that the decision-making process is systematic and rational

d) To ensure that the employees of the company subscribe to the corporate values and apply them in their conduct.

The Board of Directors constantly endeavors to set goals and targets aligned to the Company's vision and mission.

2. Board of Directors:

The company is managed by the Board of Directors which formulates strategies, policies and reviews its performance periodically. As on 31st March, 2023, there were 4 (four) Directors on the Board. The composition and attendance record of the Company's Board of Directors with respect to Board meetings are as follows:

During the year, Eight Board Meetings were held i.e., on Board Meetings were held i.e., on 28th April 2022, 06th May, 2022, 03rd June 2022, 02nd August 2022, 06th September 2022, 27th December 2022, 28th February 2023, and 29th March 2023. The details are as under of various Directors attending the Board Meeting:

Name of the Director	Category	Total No. of meetingeligible to attend	Meetings attended	Attendance at Last AGM	Directorships held in other Companies
Shri Sanjay Jagannath Khandare (c)	Nominee	5	5	Yes	Public: 06 Private: 01
Shri P Anbalagan (d)	Nominee	2	2	No	Public: 08 Private: 00
Shri Aditya Dar	Nominee	8	6	Yes	Public: 02 Private: 01
Shri Praveen Saxena	Nominee	8	7	Yes	Public: 03 Private: 01
Shri Sangeeta Kaushik	Nominee	8	7	Yes	Public: 03 Private: 00

Notes:

a) Video Conferencing facilities is provided by the Company to facilitate Directors at other locations to participate in the Board/ Committee meetings.

b) Ministry of Corporate Affairs vide its notification dated 5th July, 2017, inserted Rule 4(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, pursuant to which unlisted Public Companies including Joint Venture companies are not required to appoint Independent Directors. The company being a Joint Venture company of NTPC Ltd & MSEB Holding Co. Ltd is exempted from the requirement of appointment of Independent Director.

c) Shri Sanjay Khandare resigned from the Directorship on 30th September 2022.

d) As per nomination received from MSEB Holding Co. Ltd., Shri P Anbalagan was appointed as Director on Board of the Company on 19th January 2023.

3. Committees of the Board:

The company being a Joint Venture of NTPC Ltd & MSEB Holding Co. Ltd is not required to constitute Nomination & Remuneration Committee and Audit Committee as per the existing provisions of the Companies Act, 2013 read with applicable Rules thereunder.

However, as a good corporate governance practice, the company has constituted an Audit Committee. Details of the said Committee is as under-

Composition:

As on 31st March, 2023, the Audit Committee comprised of the following members:

Sl. No.	Name of the Member	Designation
1	Shri Aditya Dar, Director	Chairman
2	Smt. Sangeeta Kaushik, Director	Member
3	Shri P. Anbalagan, Nominee Director	Member

The Managing Director/Chief Executive Officer and the Chief Financial Officer are permanent invitees to the Audit Committee. The Statutory Auditors and the Cost Auditors of the company are also invited to the meetings while discussing financial statements/ results and the Cost Audit Reports respectively. The Company Secretary acts as the Secretary to the Committee.

Terms of Reference:

The major terms of reference of the Audit Committee are to have an oversight of the company's financial reporting process and the disclosure of its financial information. The Audit Committee acts as a link between the various Auditors of the company namely, Statutory, Cost & Internal Auditors and the Board of Directors of the Company. Its purpose is to assist the Board in fulfilling its responsibilities of monitoring financial reporting, reviewing the financial statement and statement of cash flow and reviewing the Company's Statutory, Internal and Cost Audit activities.

Meetings and Attendance:

During the year, 5 (Five) Audit Committee Meetings were held on 05th May 2022, 25th May 2022, 02nd September 2022, 23rd January 2023 and 23rd March 2023. The details are as under:

Sl. No.	Name of the member	Total number of meetings eligible to attend	No. of meetings attended
1	Smt. Sangeeta Kaushik	5	4
2	Shri Aditya Dar	5	5
3	Shri Sanjay Khandare	3	3
4	Shri P Anbalagan	2	0

Remuneration to Directors:

As per provisions of the Articles of Association & Shareholders' Agreement of the Company, all the Directors on the Board are from NTPC Ltd & MSEB Holding Co. Ltd.

The Company does not have a Managing Director on Board during the year.

No sitting fees was paid to any of the Director during the year:

4. General Body Meetings:

Location and Time of last three AGMs:

Year	2021-2022	2020-2021	2019-20
AGM	17th	16th	15th
Date and Time	28th September 2022 at 04:00 P.M	30th September 2021 at 11:00 am	26th November, 2020 at 12:00pm
Venue	Through VV/OACM	Through VV/OACM	NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi – 110 003
Special Resolution Passed at the meeting	1. Remuneration of Cost Auditor for FY 2021-22	1. Remuneration of Cost Auditor for FY 2020-21 2. Regularization of Mr. Praveen Saxena as Director 3. Regularization of Mrs. Sangeeta Kaushik as Director	No item warranted the Special Resolution

Forthcoming AGM: Date, Time & Venue:

The 18th Annual General Meeting of the Company is scheduled on Friday, 17th day of November 2023 at 12:00 Noon.

5. Training of Board Members:

As the Board Members are the Nominees of the NTPC Ltd./MSEB Holding Co. Ltd, hence they are imparted training by their parent organization. However, presentations/information are furnished by senior executives of the company on the business-related issues during the Board/Committee meetings as and when required.

6. Audit Qualifications:

The report of the Statutory Auditors, the Annexure - B Auditor and the comments of the C&AG along with management replies thereto has been annexed to the Directors' Report.

7. Means of Communication:

The company communicates with its shareholders through its Annual Report, General Meetings and its own website at www.rgppl.com

8. Whistle Blower Policy:

The Company has a Board approved "Whistle Blower Policy" for directors and employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's general guidelines. It also provides safeguards against victimizations of employees, who avail the mechanism and for direct access to the Chairman of the Audit Committee.

No personnel of the company had been denied access to the Chairman of the audit committee. The Whistle Blower Policy is available on the company's website.

9. Disclosures:

a) The Company has prepared its financial statements in accordance with Accounting Standards as notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Accordingly, the financial statements comply with Ind AS applicable for the period ended 31st March, 2023, together with the comparative period data for period ended 31st March, 2022 as described in the summary of significant accounting policies.

b) During the year there have been no material significant related party transactions that may have potential conflict with the interest of the Company at large.

c) There have been no instances of non-compliance, penalties, strictures imposed by any Statutory Authorities or of any matter related to any guideline issued by Government during the last three years.

d) The company has implemented Whistle Blower (Vigil Mechanism) Policy wherein employees are free to report any improper activity to the Competent Authority. No personnel of the company had been denied access to the audit committee

e) The Company has broadly complied with all the requirements of the Companies Act, 2013 and the guidelines on corporate governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, Government of India.

f) During the year no Presidential Directives have been received by your company.

g) No item of expenditure has been debited in the books of account which are not for the purposes of the business or expenses which are personal in nature.

h) No Expenses were incurred by the Board of Directors and Top management which are of personal in nature.

i) The administrative & office expenses were 3.90% (Rs. 28.11 crore) of the total expenses in the current year as compared to 1.27% (Rs. 28.25 crore) in the previous year.

10. Compliance Certificate:

The Certificate from the Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under DPE Guidelines on Corporate Governance for CPSE forms part of Directors' Report. **(Annexure -G)**

For and on behalf of the Board of Directors

(Praveen Saxena)
Chairman
DIN: 07944144

Place: Lucknow
Date: 17th November 2023

Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification

We, Sanjay Agarwal, Chief Executive officer and Pankaj Kumar Jha, Chief Financial Officer of Ratnagiri Gas & Power Private Limited (RGPPL) certify that:

(a) We have reviewed financial statement and the cash flow statement for the year ended 31st March 2023 and to the best of our knowledge and belief:

  (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.

  (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) To the best of our knowledge and belief, no transactions has been entered into by the company during the year, which is fraudulent, illegal, or violative of the company's various code(s) of conduct.

(c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal controls systems of the company pertaining to financial reporting and have disclosed to the auditor and the Audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the company's auditor and the Audit committee of RGPPL's Board of Director:

  (i) Significant changes, if any, in internal control over financial reporting during the year.

  (ii) Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

  (iii) Instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

(Sanjay Agarwal)	**(Pankaj Kumar Jha)**
Chief Executive Officer	**Chief Financial Officer**

Place: Anjanwel, Ratnagiri
Date: 17th November 2023

Annexure - G

CERTIFICATE ON COMPLIANCE OF DPE GUIDELINES ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED ON 31.03.2023

The Members,

Ratnagiri Gas and Power Private Limited

We have examined the compliance of Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 as issued by DPE from time to time of your Company.

The Compliance of Guidelines on Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the Guidelines on Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the management, we certify that the Company has complied with the Guidelines on Corporate Governance as stipulated in DPE guidelines.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates,**
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No. 2725/2022

Garima Grover
Partner
ACS No.: 27100
C.P.No.: 23626

Date: 04.09.2023
Place: New Delhi
UDIN: A027100E000927769

Annexure H

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred 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 –

Your Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2022-23.

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

a	Name(s) of the related party and nature of relationship	:	NTPC Vidyut Vyapaar Nigam Limited – Subsidiary / Joint venture of NTPC
b	Nature of contracts/arrangements/ transactions	:	Intermediary for sale of power
c	Duration of the contract/ arrangements/ transactions	:	Continuing agreement
d	Salient terms of the contracts or arrangements or transactions including the value, if any	:	Sale of power through IEX platform & utilizing "Professional Services" of NVVN such as transaction facilitation at Exchange platform, credit facilities, risk management, advisory services etc. - Rs. 1.11 Crore
e	Amount paid as advances, if any	:	Nil
a	Name(s) of the related party and nature of relationship	:	NTPC Vidyut Vyapaar Nigam Limited – Subsidiary / Joint venture of NTPC
	Nature of contracts/arrangements/ transactions	:	Intermediary for sale of power
b	Nature of contracts/arrangements/ transactions	:	Sale of power
c	Duration of the contract/ arrangements/ transactions	:	Continuing agreement
d	Salient terms of the contracts or arrangements or transactions including the value, if any	:	Power Trading Agreement for Utilizing the professional Services of NVVN for transaction facilitation of exchange platform, credit facilities, risk management and advisory services. - Rs. 14.10 Crore
e	Amount paid as advances, if any	:	Nil

a	Name(s) of the related party and nature of relationship	:	NTPC Vidyut Vyapar Nigam Limited – Subsidiary / Joint venture of NTPC
b	Nature of contracts/arrangements/ transactions	:	Corridor Charges
c	Duration of the contract/ arrangements/ transactions	:	Continuing agreement
d	Salient terms of the contracts or arrangements or transactions including the value, if any	:	Power Trading Agreement for Utilizing he professional Services of NVVN for transaction facilitation of exchange platform, credit facilities, risk management and advisory services. - Rs. 0.75 crores
e	Amount paid as advances, if any	:	Nil

a	Name(s) of the related party and nature of relationship	:	NTPC Limited - Holding Company
b	Nature of contracts/arrangements/ transactions	:	Other Services
c	Duration of the contract/ arrangements/ transactions	:	1 year
d	Salient terms of the contracts or arrangements or transactions including the value, if any	:	Consultancy Services - Rs.0.17 crore
e	Amount paid as advances, if any	:	Nil

For and on behalf of the Board of Directors

(Praveen Saxena)
Chairman
DIN: 07944144

Place: Lucknow
Date: 17th November 2023

BALANCE SHEET AS AT 31 MARCH 2023

₹ Crore

Particulars	Note No.	As at 31-03-2023	As at 31-03-2022	As at 31-03-2021
ASSETS				
Non Current Assets				
Property, Plant and Equipment	4	**852.83**	828.81	976.73
Capital Work-in-Progress	5	**0.66**	-	25.08
Intangible Assets	6A	**-**	0.01	0.17
Intangible Assets under Development	6B	**-**	-	0.47
Financial Assets				
Loans	7	**0.45**	0.45	0.29
Other Non Current Assets	8	**29.50**	34.04	33.95
Sub-Total (A)		**883.44**	863.31	1,036.69
Current Assets				
Inventories	9	**147.21**	150.83	146.62
Financial Assets				
Trade Receivables	10	**43.08**	168.67	156.72
Cash and Cash Equivalents	11	**37.43**	120.76	190.86
Bank Balances other than cash and cash equivalents	11	**163.37**	211.96	221.86
Loans	12	**0.38**	0.35	0.23
Other Financial Assets	13	**4.28**	4.28	0.03
Other Current Assets	14	**54.14**	114.38	112.29
Asset held for Disposal		**0.01**	-	-
Sub-Total (B)		**449.90**	771.23	828.61
Total Assets (A+B)		**1,333.34**	1,634.54	1,865.30
EQUITY AND LIABILITIES				
EQUITY				
Share Capital	15	**3,272.30**	3,272.30	3,272.30
Other Equity	16	**(3,341.83)**	(3,162.23)	(2,944.50)
Total Equity (C)		**(69.53)**	110.07	327.80
LIABILITIES				
Non Current Liabilities				
Financial Liabilities				
Borrowings	17	**912.11**	947.06	983.66
Lease liabilities	17A	**-**	-	1.86
Provisions	18	**15.79**	13.43	12.02
Sub-Total (D)		**927.90**	960.49	997.54

₹ Crore

Particulars	Note No.	As at 31-03-2023	As at 31-03-2022	As at 31-03-2021
Current Liabilities				
Financial Liabilities				
Borrowings	19	**53.10**	53.10	53.10
Lease liabilities	20	**-**	-	0.35
Trade Payables	21			
- Total outstanding dues of micro & small enterprises		**0.34**	0.38	0.69
- Total outstanding dues of creditors other than micro & small enterprises		**189.36**	272.61	252.54
Other Financial Liabilities	22	**54.54**	54.51	55.60
Other Current Liabilities	23	**175.37**	176.67	175.43
Provisions	24	**2.26**	6.71	2.25
Sub-Total (E)		**474.97**	563.98	539.96
Total Equity and Liabilities (C+D+E)		**1,333.34**	1,634.54	1,865.30
Significant Accounting Policies	3	**-**	-	-

Notes forming an integral part of these financial statements 1 to 56

For and on behalf of the Board of Directors

(Amit Kumar Verma)
Company Secretary

(Pankaj Kumar Jha)
Chief Financial Officer

(Sanjay Agarwal)
Chief Executive Officer

(Aditya Dar)
Director
DIN - 08079013

(Praveen Saxena)
Chairman
DIN - 07944144

As per our report of even date
For Khire Khandekar and Kirlsoksar
Chartered Accountants
FRN - 105148W

(M S Khire)
Partner
Membership No - 136606
UDIN: 23136606BGYMQB8799

Place: Anjanwel
Date: 30.08.2023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

₹ in crore

Particulars		Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
Income				
I.	**Revenue from Operations**	25	**494.78**	1,955.34
II.	**Other Income**	26	**46.53**	57.64
III	**Total Income (I+II)**		**541.31**	2,012.98
	Expenses			
	Fuel Cost	27	**379.49**	1,312.33
	Energy Purchase	28	**-**	413.93
	Employee benefits expenses	29	**25.84**	25.45
	Finance Cost	30	**100.85**	102.81
	Depreciation and amortization expenses	4,6A,6B	**6.23**	29.93
	Other expenses	31	**179.70**	118.10
	Impairment of non-current assets	4,5, 6A, 6B	**28.80**	228.16
IV.	**Total Expenses**		**720.91**	2,230.71
V.	**Profit/(Loss) before tax (III - IV)**		**(179.60)**	(217.73)
VI.	**Tax Expenses**		**-**	-
	- Current Year		**-**	-
	- Deferred Tax		**-**	-
VII.	**Profit/(Loss) for the Period (V-VI)**		**(179.60)**	(217.73)
	Other Comprehensive income			
VIII.	**Items that will be reclassified to profit or loss**		**-**	-
IX.	**Items that will not be reclassified to profit or loss**		**-**	-
X.	**Other comprehensive income for the year, net of tax**		**-**	-
Total comprehensive income (VII+ X)			**(179.60)**	(217.73)
Earning Per Equity Share (Face Value ₹10/-each)		46		
-	Basic		**(0.55)**	(0.67)
-	Diluted		**(0.55)**	(0.67)
Significant Accounting Policies		3		

Notes forming an integral part of these financial statements 1 to 56

For and on behalf of the Board of Directors

(Amit Kumar Verma)
Company Secretary

(Pankaj Kumar Jha)
Chief Financial Officer

(Sanjay Agarwal)
Chief Executive Officer

(Aditya Dar)
Director
DIN - 08079013

(Praveen Saxena)
Chairman
DIN - 07944144

As per our report of even date
For Khire Khandekar and Kirlsoksar
Chartered Accountants
FRN - 105148W

(M S Khire)
Partner
Membership No - 136606
UDIN: 23136606BGYMQB8799

Place: Anjanwel
Date: 30.08.2023

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

₹ Crore

	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A	**Cash Flow from Operating Activities**		
	Profit/ (Loss) Before Tax	**(179.60)**	(201.23)
	Adjustments for:		
	Depreciation and amortization of property, plant and equipment and intangible assets	**6.23**	29.80
	Depreciation on right of use assets	**-**	0.13
	Interest on lease liabilities	**-**	0.07
	Actuarial loss on valuation of earned leaves	**0.12**	0.65
	Finance income (including fair value change in financial instruments)	**(6.71)**	(9.83)
	Finance costs	**81.44**	85.17
	Accretion of provision	**19.41**	1.14
	Impairment of assets	**28.80**	228.16
	Cash flow from operating activities before working capital changes	**(50.31)**	134.06
	Working capital adjustments:		
	Increase / (Decrease) in Current Liabilities:		
	Trade Payables	**(83.29)**	19.76
	Other Financial Liabilities	**0.03**	(1.44)
	Other Current Liabilities	**(1.30)**	1.24
	Provisions	**(21.62)**	4.09
	(Increase)/ Decrease in Current Assets:		
	Financial Assets - Loans	**(0.03)**	(0.28)
	Inventories	**3.62**	(4.21)
	Trade Receivables	**125.59**	(11.95)
	Other Financial Assets	**-**	(4.25)
	Other Current Assets	**60.24**	(2.09)
		32.93	134.93
	Income Tax (Paid)/ Refund	**4.54**	(0.09)
	Net Cash Flows from Operating Activities (A)	**37.47**	134.84
B.	**Cash Flow from Investing Activites**		
	Purchase / Sale of Property, Plant and Equipment	**5.98**	2.86
	Purchase of Intangible Assets	**-**	(0.74)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of CWIP	**(65.69)**	(86.58)
Interest Received (Finance Income)	**6.71**	9.83
Net Cash Flows from Investing Activities (B)	**(53.00)**	(74.63)
C. Cash Flow from Financing activities		
Interest Paid	**(81.44)**	(85.17)
Purchase of Fixed Deposits	**53.48**	10.23
Repayment of lease liabilities	**-**	(0.41)
Interest on lease liabilities	**-**	(0.07)
Purchase of Margin Money	**(4.89)**	(0.33)
Repayment of Borrowings	**(34.95)**	(54.55)
Net Cash Flows from Financing Activities (C)	**(67.80)**	(130.30)
Net Cash Flows from Operating Activities (A)	**37.47**	134.84
Net Cash Flows from Investing Activities (B)	**(53.00)**	(74.63)
Net Cash Flows from Financing Activities (C)	**(67.80)**	(130.30)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(83.33)**	(70.09)
Cash and Cash Equivalents at the beginning of the year	**120.76**	190.86
Cash and Cash Equivalents at the end of the Year	**37.43**	120.76
a. Cash and cash equivalents consist of balances with banks and deposits with original maturity of upto three months.		
b. Reconciliation of Cash and Cash Equivalents	**31-Mar-23**	31-Mar-22
Cash and Cash Equivalents (Note 11)	**37.43**	120.76
Balance as per Statement of Cash Flows	**37.43**	120.76

c. Refer Note no. 49 (2)(i) for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments."

d. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

₹ Crore

Particulras	Current borrowings	Non-current borrowings	Interest on borrowings
For the Year ended 31 March 2023			
Balance as at 1 April 2022	53.10	947.06	
Loan drawals (in cash) /interest accrued during the year	-	-	81.44
Loan repayments/interest payment during the year (in cash)	-	53.10	81.44
Others- adjustments for revised repayment schedule	-	18.15	
Balance as at 31 March 2023	**53.10**	**912.11**	**-**

₹ Crore

Particulras	Current borrowings	Non-current borrowings	Interest on borrowings
For the Year ended 31 March 2022			
Balance as at 1 April 2021	53.10	983.66	
Loan drawals (in cash) /interest accrued during the year	-	-	85.17
Loan repayments/interest payment during the year (in cash)	-	53.10	85.17
Others- adjustments for revised repayment schedule	-	16.50	
Balance as at 31 March 2022	53.10	947.06	-

There are no non-cash changes on account of effect of changes in foreign exchange rates and fair values.

For and on behalf of the Board of Directors

(Amit Kumar Verma)	(Pankaj Kumar Jha)	(Sanjay Agarwal)	(Aditya Dar)	(Praveen Saxena)
Company Secretary	Chief Financial Officer	Chief Executive Officer	Director	Chairman
			DIN - 08079013	DIN - 07944144

As per our report of even date
For Khire Khandekar and Kirlsoksar
Chartered Accountants
FRN - 105148W

(M S Khire)
Partner
Membership No - 136606
UDIN: 23136606BGYMQB8799

Place: Anjanwel
Date: 30.08.2023

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

1. Share Capital

Equity Share Capital

₹ Crore

Particulars	Number	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 31 March 2021	3,27,23,02,436	3,272.30
Issue/ (Reduction) of share capital	-	-
Balance as at 31 March 2022	3,27,23,02,436	3,272.30
Issue/ (Reduction) of share capital	-	-
Balance as at 31 March 2023	3,27,23,02,436	3,272.30

2. Other Equity

₹ Crore

Particulars	Retained earnings	Deemed Equity	Self insurance reserve	Total
Balance as at 31 March 2020	(4,164.21)	-	200.00	(3,964.21)
Add: Profit /(Loss) for the period	(128.29)	-	-	(128.29)
Other comprehensive income	-	-	-	-
Total comprehensive income	(128.29)	-	-	(128.29)
Add: Redemption of 0.01% CRPS	739.02	-	-	739.02
Add: Loan to Deemed Equity	-	408.99		408.99
Balance as at 31 March 2021	(3,553.48)	408.99	200.00	(2,944.50)
Add: Profit /(Loss) for the period	(217.73)		-	(217.73)
Other comprehensive income	-		-	-
Total comprehensive income	(217.73)		-	(217.73)
Balance as at 31 March 2022	(3,771.22)	408.99	200.00	(3,162.23)
Add: Profit /(Loss) for the period	(179.60)		-	(179.60)
Other comprehensive income	-		-	-
Total comprehensive income	(179.60)		-	(179.60)
Balance as at 31 March 2023	**(3,950.82)**	**408.99**	**200.00**	**(3,341.83)**

For and on behalf of the Board of Directors

(Amit Kumar Verma)
Company Secretary

(Pankaj Kumar Jha)
Chief Financial Officer

(Sanjay Agarwal)
Chief Executive Officer

(Aditya Dar)
Director
DIN - 08079013

(Praveen Saxena)
Chairman
DIN - 07944144

As per our report of even date
For Khire Khandekar and Kirlsoksar
Chartered Accountants
FRN - 105148W

(M S Khire)
Partner
Membership No - 136606
UDIN: 23136606BGYMQB8799

Place: Anjanwel
Date: 30.08.2023

RATNAGIRI GAS & POWER PRIVATE LIMITED
Notes Forming part of Financial Statements

Note 1. Company Information

Reporting entity

Ratnagiri Gas and Power Private Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: U40105DL2005PTC138458). The address of the Company's registered office is NTPC Bhawan, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi - 110003. The Company is primarily involved in the generation and sale of bulk power to State Power Utilities.

Note 2. Basis of preparation

1. Statement of Compliance

These financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other relevant provisions of the Companies Act, 2013 and the provisions of the Electricity Act, 2003 to the extent applicable.

These Financial Statements were approved for issue by Board of Directors in its meeting held on .

2. Basis of measurement

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments).
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

The methods used to measure fair values are discussed in notes to the financial statements.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. 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.

3. Functional and presentation currency

These financial statements are presented in Indian Rupees ( ), which is the Company's functional currency. All financial information presented in ( ) has been rounded to the nearest crore (upto two decimals), except when indicated otherwise.

4. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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 classified as 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 settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

Assets and liabilities are classified between current and non-current considering 12 months period as normal operating cycle.

Note 3. A. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

The Company has elected to utilize the option under Ind AS 101- 'First time adoption of Indian Accounting Standards' by not applying the provisions of Ind AS 16- 'Property, plant and equipment'& Ind AS 38- 'Intangible assets' retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e., 1 April 2015. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2015, i.e., the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

1. Reserves & Surplus

Self- Insurance Reserve of Rs. 50 crores every year is to be created as at end of the year by appropriating current year profit towards future losses which may arise from un-insured risks till the amount of Self Insurance Reserve becomes Rs. 200 crores. Self-Insurance Reserve will be written back on getting insurance cover for machinery break down.

2. Property, plant and equipment

a. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Cost comprises purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the present value of initial estimate of cost of dismantling, removal and restoration.

Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized as expenses in the statement of profit and loss on consumption.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

Excess of net sale proceed of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

b. Subsequent costs

Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

c. Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

d. De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property,

plant and equipment are determined as the difference between sale proceeds from disposal, if any and the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

In circumstance, where an item of property, plant and equipment is abandoned, the net carrying cost relating to the property, plant and equipment is written off in the same period.

e. Depreciation/amortization

Depreciation/amortization is recognized in statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Depreciation on the assets of the generation of electricity business and on the assets of Corporate & other offices of the Company, covered under Part B of Schedule II of the Companies Act, 2013, is charged on straight-line method following the rates and methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Depreciation on the following assets is provided on their estimated useful lives, which are different from the useful lives as prescribed under Schedule II to the Companies Act, 2013, ascertained on the basis of technical evaluation/ assessment:

a)	Kutcha roads	2 years
b)	Enabling works	
	- residential buildings	15 years
	- internal electrification of residential buildings	10 years
	- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c)	Personal computers & laptops including peripherals	3 years
d)	Photocopiers, fax machines, water coolers and refrigerators	5 years
e)	Temporary erections including wooden structures	1 year
f)	Telephone exchange	15 years
g)	Wireless systems, VSAT equipments, display devices viz. projectors, screens, CCTV, audio video conferencing systems and othe rcommunication equipments	6 years
h)	Hospital equipment	5-10 years
i)	Furniture and Fixture	5-15 years

Major overhaul and inspection costs which have been capitalized are depreciated over the period until the next scheduled outage or actual major inspection/overhaul, whichever is earlier.

Capital spares are depreciated considering the useful life ranging between 2 to 40 years based on technical assessment.

Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

Right-of-use land and buildings relating to corporate, and other offices are fully amortized on straight line method over lease period or twenty-five years whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/ sale, disposal or earmarked for disposal.

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities (recognized up to 31 March2016) on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/ amortization.

Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the Company and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

The residual values, useful lives and method of depreciation of assets other than the assets of generation of electricity business governed by CERC Tariff Regulations, are reviewed at each financial year end and adjusted prospectively, wherever required.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognized.

Refer policy no. 6 in respect of depreciation/ amortization of right-of-use assets other than land and buildings.

3. Capital work-in-progress

Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

4. Intangible assets and intangible assets under development

a. Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic

benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost comprises purchase price including import duties, non - refundable taxes after deducting trade discounts and rebates and any directly attributable incidental expenses of preparing the assets ready for its intended use.

Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to & has sufficient resources to complete development and to use or sell the asset.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

b. Subsequent costs:

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

c. De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses on de-recognition of an item of intangible assets is determined by comparing the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

d. Amortisation

Cost of software recognized as intangible asset, is amortized on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use or life of the related plant, whichever is less.

The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end and adjusted prospectively wherever required.

5. Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– 'Leases'

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities

necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

6. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Costs of purchased inventory are determined after deducting rebates and trade discounts and other similar items. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The diminution in the value of obsolete, unserviceable, surplus and non-moving items of stores & spares is ascertained on review and provided for.

Scrap inventory is valued at estimated realizable value.

7. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

8. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre- tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

1. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the functional currency spot rates of exchange prevailing on that date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31 March 2016 are adjusted to the carrying cost of property, plant and equipment.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognizes the non-monetary asset or non- monetary liability arising from the payment or receipt of advance consideration.

2. Revenue

Company's revenues arise from sale of energy and other income. Revenue from sale of energy is mostly regulated and governed by the applicable CERC Tariff Regulations under Electricity Act, 2003. Certain revenue from sale of energy is recognized based on the rates & terms and conditions mutually agreed with the beneficiaries. Revenue from other income comprises interest from banks, employees, contractors etc., surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

a. Revenue from sale of energy

The majority of the Company's operations in India are regulated under the Electricity Act, 2003. Accordingly, the CERC determines the tariff for the Company's power plants based on the norms prescribed in the tariff regulations as applicable from time to time. Tariff is based on the capital cost incurred for a specific power plant and primarily comprises two components: capacity charge i.e., a fixed charge, that includes depreciation, return on equity, interest on working capital, operating & maintenance expenses, interest on loan and energy charge i.e. a variable charge primarily based on fuel costs.

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognizes revenue when (or as) the

performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

Revenue from sale of goods and services is recognized on the transfer of control to the customer and upon the satisfaction of performance obligations under the contract.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Where performance obligation is satisfied over time, company recognizes revenue using input/ output method based on performance completion till reporting date. Where performance obligation is satisfied at a point in time, company recognizes revenue when customer obtains control of promised goods and services in the contract.

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to Beneficiaries but not yet billed i.e. contract assets/unbilled revenue.

The incentives/disincentives are accounted for based on the norms notified/approved by the CERC as per principles enunciated in Ind AS 115 – 'Revenue from contracts with customers'. In cases of power stations where the same have not been notified/approved, incentives/disincentives are accounted for on provisional basis

Part of revenue from sale of energy where CERC tariff Regulations are not applicable is recognized based on the rates & terms and conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Sale of energy under Power System Development Fund (PSDF) Support Scheme for stranded gas based Power Plants introduced by the Government of India, is accounted for based on the tariff rates as decided as per the scheme.

Contract balances Trade receivables

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

accounting policies of financial assets in Note No 12 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. It includes Advance from Customer.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. It includes Unbilled Revenue.

b. Other income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For credit impaired financial assets, the EIR is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortized cost of the POCI assets.

Scrap other than steel scrap is accounted for as and when sold.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to contractors and suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

Revenue from sharing of common services is billed as per mutually agreed principles/terms & conditions.

3. Employee benefits

All employee benefits that are expected to be settled wholly within twelve months after the end of period in which the employee render the related services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The Company's contribution to the Provident Fund is paid to Employees Provident Funds Organisation, based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in statement of profit and loss in the period during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

The Company has a defined contribution pension scheme, wherein Company's contribution towards pension is made to National Pension System Trust (NPS) for the employees. The contributions to the defined contribution pension scheme of the NPS for the year are recognised as an expenses and charged to the Statement of Profit and loss.

Defined Benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Company's liability towards gratuity, leave benefits for own cadre employees are determined by independent actuary, at year end using the projected unit credit method. Past service costs are recognised on a straight line basis over the average period until the benefits become vested. Any actuarial gains or losses are recognized in OCI in the period in which they arise. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.

Re-measurements 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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re- measurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The liability for employees' benefits of employees seconded by the promoter organisations in respect of provident fund, pension, gratuity, post-retirement medical facilities, compensated

absences, long service award, economic rehabilitation scheme and other terminal benefits is retained by the respective organisation.

Company's contribution towards employee benefits of employees seconded from NTPC Limited is determined as a percentage of basic pay and dearness allowance under an agreement and is recognized in the Statement of Profit and Loss.

4. Other expenses

Expenses on training & recruitment and voluntary community development are charged to statement of profit and loss in the year incurred. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to Statement of profit and loss. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

5. Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. . Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity respectively.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profits will be available in future to allow all or part of deferred tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized

When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax

bases and unused tax losses and unused tax credits is recognized. The effect of the uncertainty is recognized using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

6. Leases

As lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contact involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of use assets and lease liabilities include these options when it is reasonably certain that the option to extend the lease will be exercised/option to terminate the lease will not be exercised.

The right-of-use assets (other than land and building) are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation/amortization and impairment losses and adjusted for any reassessment of lease liabilities.

Right-of-use assets are depreciated/amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. In calculating the present value, lease payments are discounted using the interest

rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment whether it will exercise an extension or a termination option.

As lessor

At inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. A specific asset is subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the customer the right to control the use of the underlying asset. Arrangements that do not take the legal form of a lease but convey rights to customers/suppliers to use an asset in return for a payment or a series of payments are identified as either finance leases or operating leases.

Accounting for finance leases

Where the Company determines a long term Power Purchase Agreement (PPA) to be or to contain a lease and where the off taker has the principal risk and rewards of ownership of the power plant through its contractual arrangements with the Company, the arrangement is considered a finance lease. Capacity payments are apportioned between capital repayments relating to the provision of the plant, finance income and service income. The finance income element of the capacity payment is recognized as revenue, using a rate of return specific to the plant to give a constant periodic rate of return on the net investment in each period. The service income element of the capacity payment is the difference between the total capacity payment and the amount recognized as finance income and capital repayments and recognized as revenue as it is earned.

The amounts due from lessees under finance leases are recorded in the balance sheet as financial assets, classified as finance lease receivables, at the amount equal to the net investment in the lease.

Accounting for operating leases

Where the Company determines a long term PPA to be or to contain a lease and where the Company retains the principal risks and rewards of ownership of the power plant, the arrangement is considered an operating lease.

For operating leases, the power plant is capitalized as property, plant and equipment and depreciated over its economic life. Rental income from operating leases is recognized on a straight line basis over the term of the arrangement.

7. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or amortization, if no impairment loss had been recognized.

8. Operating segments

In accordance with Ind AS 108 – "Operating Segment", the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance cost, income tax expenses and corporate income that are not directly attributable to segments.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, Capital Wok in Progress, intangible assets other than goodwill and intangible assets under development.

Segment assets comprise property, plant and equipment, intangible assets, capital work in progress, intangible assets under development, advances for capital expenditures, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Unallocated assets comprise investments, income tax assets, corporate assets and other assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade payable, payable for capital expenditure and other payables, provision for employee benefits and provisions. Unallocated liabilities comprise equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

9. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

10. Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issued during the financial year.

Basic and diluted earnings per equity share are also computed using the net profit or loss amounts excluding the net movements in regulatory deferral account balances.

11. Statement of Cash flow

Statement of Cash flow is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

12. 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. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement Investment in Equity instruments

All equity investments in entities other than subsidiaries and joint ventures 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 statement of profit and loss, even on sale/disposal of investment. However, the Company may transfer the cumulative gain or loss within equity on sale / disposal of the investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Dividend on such investments is presented under 'Other income'.

Equity investments in subsidiaries and joint ventures companies are accounted at cost less impairment, if any.

The Company reviews the carrying value of investments at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated. If the recoverable amount is less than the carrying amount, the impairment loss is recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss except for equity instruments classified as at FVTOCI, where such differences are recorded in OCI.

Impairment of financial assets

In accordance with Ind AS 109 – "Financial instruments", the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.

(b) Financial assets that are debt instruments and are measured as at FVTOCI.

(c) Lease receivables under Ind AS 116.

(d) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

(e) Loan commitments which are not measured as at FVTPL.

(f) Financial guarantee contracts which are not measured as at FVTPL.

For trade receivables and contract assets/unbilled revenue, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, (other than purchased or originated credit impaired financial assets), 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 significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for

the cumulative changes in lifetime expected credited losses since initial recognition.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process Amortized 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 amortization is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized 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 recognized in the statement of profit and loss.

Derivative financial instruments

Initial recognition and subsequent measurement.

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss.

Offsetting of financial assets and financial liabilities

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

13. Non -Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

Note 3. B. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, revenue expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

1. Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

2. Useful life of property, plant and equipment and intangible assets

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets of the generation of electricity business is determined by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

3. Recoverable amount of property, plant and equipment and intangible assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

4. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

5. Revenues

The Company records revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

6. Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.

7. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

8. **Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

9. **Income taxes**

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Note 4 : Property, Plant and Equipment-Tangible Assets

As at 31st March 2023 ₹ Crore

Description	Gross block				Depreciation And Amortization					Net Block	Net Block
	As at 01.04.2022	Addition During Year	Deduction/ Adjustment	As at 31.03.2023	As at 01.04.2022	Addition During Year	Impairment Loss during the year*	Deduction/ Adjustment	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Land (Including Development Expenses)											
- Freehold	0.30	-	-	**0.30**	-	-	-	-	**-**	**0.30**	0.30
- Leasehold	7.64	-	-	**7.64**	7.64	-	-	-	**7.64**	**-**	-
Roads, bridges, culverts & helipads	1.46	1.17	-	**2.63**	1.32	0.02	0.05	(0.94)	**2.33**	**0.30**	0.14
Building											
Freehold											
- Main plant	228.95	-	-	**228.95**	206.06	-	-	-	**206.06**	**22.89**	22.89
- Others	45.88	-	-	**45.88**	41.55	-	-	-	**41.55**	**4.33**	4.33
Leasehold-Own	2.82	-	-	**2.82**	2.54	-	-	-	**2.54**	**0.28**	0.28
Temporary erection	6.85	0.06	-	**6.91**	6.44	0.01	0.03	-	**6.48**	**0.43**	0.41
Water supply, drainage & sewerage system	84.66	-	-	**84.66**	76.20	-	-	-	**76.20**	**8.46**	8.46
Plant and equipment - Owned@	8,593.44	61.62	-	**8,655.06**	7,814.59	6.11	27.26	(5.02)	**7,852.98**	**802.08**	778.85
Furniture and fixtures	4.03	0.01	-	**4.04**	3.70	-	0.00	-	**3.70**	**0.34**	0.33
Vehicles including Ambulance - Owned	1.06	-	0.19	**0.87**	0.95	-	-	0.17	**0.78**	**0.09**	0.11
Other Office equipment	3.50	0.12	-	**3.62**	3.17	-	0.06	-	**3.23**	**0.39**	0.33
EDP, WP machines and satcom equipment	5.07	0.20	0.15	**5.12**	4.83	0.04	0.08	0.15	**4.80**	**0.32**	0.24
Electrical installations and equipments	388.30	0.96	-	**389.26**	349.52	0.04	0.46	-	**350.02**	**39.24**	38.78
Communication equipments	1.49	0.05	-	**1.54**	1.35	-	0.02	-	**1.37**	**0.17**	0.15
Hospital equipments	0.21	-	-	**0.21**	0.19	-	-	-	**0.19**	**0.02**	0.02
Laboratory and workshop equipments	31.35	-	-	**31.35**	28.22	-	-	-	**28.22**	**3.13**	3.13
Retired assets/ Unserviceable	0.21	-	-	**0.21**	-	-	-	-	**-**	**0.21**	0.21
Sub Total	9,407.22	64.19	0.34	**9,471.07**	8,548.27	6.22	27.97	(5.64)	**8,588.09**	**882.98**	858.96
Less: Provision @	139.34	-	-	**139.34**	109.19	-	-	-	**109.19**	**30.15**	30.15
Total	9,267.88	64.19	0.34	**9,331.73**	8,439.08	6.22	27.97	(5.64)	**8,478.90**	**852.83**	828.81

As at 31st March 2022 ₹ Crore

Description	Gross block				Depreciation And Amortization					Net Block	Net Block
	As at 01.04.2021	Addition During Year	Deduction/ Adjustment	As at 31.03.2022	As at 01.04.2021	Addition During Year	Impairment Loss during the year*	Deduction/ Adjustment	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Land (Including Development Expenses)											
- Freehold	0.30	-	-	0.30	-	-	-	-	-	0.30	0.30
- Leasehold	7.64	-	-	7.64	6.01	0.17	1.46	-	7.64	-	1.63
Roads, bridges, culverts & helipads	1.46	-	-	1.46	1.26	0.01	0.05	-	1.32	0.14	0.20
Building											
Freehold											
- Main plant	228.95	-	-	228.95	201.67	0.39	4.00		206.06	22.89	27.28
- Others	45.13	0.75	-	45.88	39.04	0.29	2.11	(0.11)	41.55	4.33	6.09
Leasehold-Own	2.82	-	-	2.82	2.33	0.02	0.20		2.54	0.28	0.50
Leasehold-Others (ROU)	2.59	-	2.59	-	0.50	0.13	-	0.63	-	-	2.09
Temporary erection	6.71	0.14	-	6.85	6.06	0.16	0.22		6.44	0.41	0.65
Water supply, drainage & sewerage system	84.66	-	-	84.66	76.03	0.02	0.15		76.20	8.46	8.63
Plant and equipment - Owned@	8,506.19	87.24	-	8,593.44	7,596.36	25.87	191.40	(0.96)	7,814.59	778.85	909.83
Furniture and fixtures	3.95	0.09	0.01	4.03	3.15	0.15	0.40	-	3.70	0.33	0.80
Vehicles including Ambulance - Owned	0.91	0.15	-	1.06	0.72	0.04	0.19		0.95	0.11	0.19
Other Office equipment	3.47	0.03	-	3.50	2.85	0.12	0.20		3.17	0.33	0.62
EDP, WP machines and satcom equipment	4.78	0.30	0.01	5.07	4.07	0.30	0.46	-	4.83	0.24	0.71
Electrical installations and equipments	382.67	5.63	-	388.30	339.54	1.67	7.93	(0.38)	349.52	38.78	43.13
Communication equipments	1.48	0.01	-	1.49	1.27	0.04	0.04		1.35	0.15	0.21
Hospital equipments	0.15	0.06	-	0.21	0.14	-	0.05		0.19	0.02	0.01
Laboratory and workshop equipments	31.27	0.08	-	31.35	27.48	0.16	0.58	-	28.22	3.13	3.79
Retired assets/ Unserviceable	0.21	-	-	0.21	-	-	-	-	-	0.21	0.21
Sub Total	9,315.34	94.48	2.60	9,407.22	8,308.47	29.54	209.42	(0.82)	8,548.27	858.96	1,006.88
Less: Provision @	139.34	-	-	139.34	109.19	-	-	-	109.19	30.15	30.15
Total	9,176.00	94.48	2.60	9,267.88	8,199.28	29.54	209.42	(0.82)	8,439.08	828.81	976.73

*- The Company has carried out the impairment study of its assets during the year through independent expert (Refer Note 46)

@ Plant & machinery includes Single Point Mooring (SPM) which was sunk in sea during financial year 2015-16 in monsoon period. The WDV as on 31/03/2018 is ₹ 30.15 crores (Refer Note 36)

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 17 & 19)

b) Property, plant & equipment costing ₹ 5,000/- or less, are depriciated fully in the year of acquisition.

c) Deduction/adjustment from gross block and depreciation and amortisation for the year includes:

₹ Crore

	Gross Block		Depreciation and Amortization	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Disposal of assets	**0.34**	0.01	**0.32**	-
Others	**-**	2.59	**(5.96)**	(0.82)
	0.34	2.60	**(5.64)**	(0.82)

d) Exchange differences capitalized are disclosed in the 'Addition' column of Capital work-in-progress (CWIP) and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustments' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of Property, plant and equipment. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of property, plant and equipment and CWIP through 'Addition' or 'Deductions/Adjustments' column are given below:

₹ Crore

	For the year ended 31.03.2023		For the year ended 31.03.2022	
	Exchange differences included in PPE/CWIP	Borrowings costs included in PPE/ CWIP	Exchange differences included in PPE/CWIP	Borrowings costs included in PPE/ CWIP
Building/Plant & Machinery/Others/ etc.	-	-	-	-
	-	-	**-**	-

e) Gross carrying amount of the fully depreciated property, plant and equipment that are still in use:

₹ Crore

Description	31.03.2023	31.03.2022
Leasehold	**7.64**	7.64
Roads, bridges, culverts & helipads	**1.46**	1.46
Building Freehold Main Plant	**228.95**	228.95
Building Freehold Others	**51.74**	51.74
Temporary erection	**6.83**	6.83
Water supply, drainage & sewerage system	**84.66**	84.66
Plant and equipment - Owned@	**8,451.09**	8,451.09
Furniture and fixtures	**4.03**	4.03
Vehicles including Ambulance - Owned	**0.87**	1.06
Other Office equipment	**3.50**	3.50
EDP, WP machines and satcom equipment	**4.92**	5.07
Electrical installations and equipments	**388.30**	388.30
Communication equipments	**1.49**	1.49
Hospital equipments	**0.21**	0.21
Laboratory and workshop equipments	**31.35**	31.35
	9,267.05	9,267.39

Note 5 : Capital Work in Progress as at 31 March 2023

₹ Crore

Description	As on 01.04.2022	Addition During Year	Deduction/ Adjustment	Impairment Loss during the year	Capitalised during the Year	Closing As on 31.03.2023
Roads, bridges, culverts & helipads	-	1.17	-	-	1.17	-
Temporary erection	-	0.06	-	-	0.06	-
Plant & Machinery	-	61.62	-	-	61.62	-
Furniture and fixtures	-	0.01	-	-	0.01	-
Other Office equipment	-	0.12	-	-	0.12	-
EDP, WP machines and satcom equipment	-	0.20	-	-	0.20	-
Electrical installations and equipments	-	0.96	-	-	0.96	-
Communication equipments	-	0.05	-	-	0.05	-
Water Supply Drainage & Sewerage	-	1.49	-	0.83	-	**0.66**
TOTAL	-	65.68	-	0.83	64.19	**0.66**

Capital Work in Progress as at 31 March 2022

₹ Crore

Description	As on 01.04.2021	Addition During Year	Deduction/ Adjustment	Impairment Loss during the year	Capitalised during the Year	Closing As on 31.03.2022
Buildings	14.49	(1.38)	(0.38)	12.61	0.89	-
Plant & Machinery	10.10	86.59	(1.07)	4.74	93.01	-
Roads Bridges & Culverts	0.49	0.39	-	0.88	-	-
TOTAL	25.08	85.59	(1.44)	18.23	93.90	-

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 17 & 19)

b) Details of exchange differences and borrowing costs capitalised are disclosed in Note 4 (d)

Note 6A : Intangible Assets as at 31 March 2023

Description	Gross block				Depreciation And Amortization					Net Block	Net Block
	As on 01.04.2022	Addition During Year	Deduction/ Adjustment	As on 31.03.2023	As on 01.04.2022	Addition During Year	Impairment Loss during the year	Deduction/ Adjustment	As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
Software	2.71	-	-	2.71	2.70	0.01	-	-	2.71	-	0.01
Total	**2.71**	**-**	**-**	**2.71**	**2.70**	**0.01**	**-**	**-**	**2.71**	**-**	**0.01**

Intangible Assets as at 31 March 2022

Description	Gross block				Depreciation And Amortization					Net Block	Net Block
	As on 01.04.2021	Addition During Year	Deduction/ Adjustment	As on 31.03.2023	As on 01.04.2012	Addition During Year	Impairment Loss during the year	Deduction/ Adjustment	As on 31.03.2022	As on 31.03.2022	As on 31.03.2021
Software	1.91	0.80	-	2.71	1.74	0.39	0.51	(0.06)	2.70	0.01	0.17
Total	1.91	0.80	-	2.71	1.74	0.39	0.51	(0.06)	2.70	0.01	0.17

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 17 & 19)

b) Gross carrying amount of the fully amortized intangible assets that are still in use:Capital Work in Progress as at 31 March 2022

₹ Crore

Description	31.03.2023	31.03.2022
Software	**2.71**	2.71
	2.71	2.71

Note 6B : Intangible Assets under Development as at 31 March 2023

₹ Crore

Description	As on 01.04.2022	Addition During Year	Deduction/ Adjustment	Impairment Loss during the year	Capitalised during the Year	Closing As on 31.03.2023
Software	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**

Intangible Assets under Development as at 31 March 2022

₹ Crore

Description	As on 01.04.2021	Addition During Year	Deduction/ Adjustment	Impairment Loss during the year	Capitalised during the Year	Closing As on 31.03.2022
Software	0.47	0.33	0.80	-	-	-
TOTAL	0.47	0.33	0.80	-	-	-

Note 7 - Non Current Financial Assets - Loans
As at 31 March 2023

₹ Crore

Particulars	As at 31 March 2023	As at 31 March 2022
Loans (Considered Good, Unless otherwise stated)@		
Employees (including interest accrued)		
Secured	**0.11**	0.14
Unsecured	**0.34**	0.31
Total	**0.45**	0.45
@ Loans given to employees have been recognised at book value in view of insignilicant amount		
Due from directors and officers of the Company		
Directors	**-**	-
Officers	**-**	0.02

Note 8 - Other Non - Current Assets

₹ Crore

As At	31-Mar-23	31-Mar-22
Security deposits (Considered good unless otherwise stated)	**2.16**	2.16
Advance tax and Tax Deducted at Source	**27.34**	31.88
Less: Provision for Tax	**-**	-
Total	**29.50**	34.04

Note 9 - Inventories

₹ Crore

As At	As at 31 March 2023	As at 31 March 2022
Stores and spares	**141.74**	145.02
Others	**6.62**	6.96
Less: Provision for Losses/Obsolescence	**(1.15)**	(1.15)
Total	**147.21**	150.83

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 17 & 19)

b) Inventory items have been valued as per accounting policy no 6 (Note 3).

c) Paragraph 32 of Ind AS 2 - Inventories provides that materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The Company is operating in the regulatory environment and as per CERC Tariff Regulations, cost of fuel and other inventory items are recovered as per extant tariff regulations. Accordingly, the realizable value of the inventories is not lower than the cost.

d) Refer Note 39 for information on inventories consumed and recognised as expense during the year.

Note 10 Trade receivables

₹ Crore

Particulars	31-Mar-23	31-Mar-22
Trade receivables		
- Considered good, Secured	**-**	-
- Considered good, Unsecured	**42.24**	81.01
- Unbilled revenue	**0.84**	87.66
- Receivables credit impaired	**474.81**	392.54
Less: Allowances for bad & doubtful debts	**(474.81)**	(392.54)
Total	**43.08**	168.67

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 17 & 19)

b) Amounts receivable from related parties are disclosed in Note No 40

c) Considering the non-payment and uncertainty in realisation of the dues from Railways, a provision of ₹ 82.27 has been made during the current year (Previous Year ₹ Nil).

d) Trade Receivables ageing schedule as at 31 March 2023

₹ Crore

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 month	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	0.84	-	23.23	0.00	14.12	4.53	0.36	**43.08**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	26.66	29.99	418.16	**474.81**
Sub Total	0.84	-	23.23	0.00	40.78	34.52	418.52	**517.89**
Less: Allowances for bad & doubtful debts	-	-	-	-	26.66	29.99	418.16	**474.81**
Total	**0.84**	**-**	**23.23**	**0.00**	**14.12**	**4.53**	**0.36**	**43.08**

e) Trade Receivables ageing schedule as at 31 March 2022

₹ Crore

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 month	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	87.66	-	2.30	1.63	37.66	23.09	16.33	168.67
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	392.54	392.54
Sub Total	87.66	-	2.30	1.63	37.66	23.09	408.86	561.20
Less: Allowances for bad & doubtful debts	-	-	-	-	-	-	392.54	392.54
Total	87.66	-	2.30	1.63	37.66	23.09	16.33	168.67

Note 11 - Cash and Bank balances

₹ Crore

As At	31-Mar-23	31-Mar-22
Cash & cash equivalents:		
Balances with banks:		
- Current accounts	**0.11**	4.33
- Deposits with original maturity less than three months (incl. interest accrued)	**37.32**	116.43
Cash in hand/Imprest	**-**	-
(A)	**37.43**	120.76
Other bank balances:		
Deposits with original maturity of more than 3 months but less than 12 months (incl. interest accrued)	**43.78**	97.26
Margin against Letter of Credit	**98.42**	93.67
Margin against Bank Guarantee	**21.17**	21.03
(B)	**163.37**	211.96
Total (A+B)	**200.80**	332.72

a) 100% Margin against Letter of credit is deposited with State Bank of India.

b) Margin of ₹ 20.80 crore (Previous Year ₹ 20.67 crore) is with IDBI Bank Limited, Mumbai, for furnishing Bank Guarantee of ₹ 80 crore (Previous Year ₹ 80 crore) to Customs Department

c) Margin of ₹ 0.38 crore, (Previous Year ₹ 0.36 crore) is with State Bank of India, Chiplun, for furnishing Bank Guarantee of ₹ 0.30 crore (Previous Year ₹ 0.30 crore) to Pollution Control Department.

Note 12 - Current Financial Assets - Loans

₹ Crore

As At	31-Mar-23	31-Mar-22
Loans		
(Considered good, unless otherwise stated)		
Employees (including interest accrued)		
Secured	**0.04**	0.05
Unsecured	**0.34**	0.30
Total	**0.38**	0.35
Due from directors and officers of the Company		
Directors	**-**	-
Officers	**0.02**	0.02

Note 13 - Other Current Financial Assets

₹ Crore

As At	31-Mar-23	31-Mar-22
Security deposits With Court	**4.28**	4.28
Total	**4.28**	4.28

Note 14 - Other Current Assets

₹ Crore

As At	31-Mar-23	31-Mar-22
Claims recoverables		
Unsecured considered good*	**45.16**	75.18
Considered doubtful	**10.59**	10.59
Less: Allowance for bad and doubtful debts	**(10.59)**	(10.59)
Others		
Unsecured **	**8.98**	39.20
Total	**54.14**	114.38

* Includes the following:

a) Includes ₹ NIL crore (P.Y. ₹ 32.27 crore) being VAT on Fuel Bills recoverable from GAIL(India) Ltd as per Maharashtra State Notification dated 16th September 2017

b) Includes ₹15.86 crore (P.Y. ₹15.86 crore) being differential Regasification charges recoverable from GAIL (India) Ltd against fuel bills

c) Includes ₹27.94 crore (P.Y. ₹25.69 crore)recoverable from Konkan LNG Ltd on account of sharing of common services, CISF & Chiller Services

** Includes ₹ 7.02 crore (P.Y. ₹14.64 crore) accrreued income from Konkan LNG Limited on account of sharing of common services, CISF & Chiller Services

Note 15 - Share capital

₹ Crore

As At	31-Mar-23	31-Mar-22
Share capital		
Authorised		
600,00,00,000 Ordinary shares of par value of ₹10/- each	**6,000.00**	6,000.00
(600,00,00,000 Ordinary shares of par value ₹ 10/- each as at 31st March, 2022)		
400,00,00,000 Cumulative Redeemable Preference shares of par value of ₹10/- each	**4,000.00**	4,000.00
(400,00,00,000 Cumulative Redeemable Preference shares of par value of ₹10/- each as at 31st March, 2022)		
	10,000.00	10,000.00
Issued, subscribed and fully paid up		
327,23,02,436 Ordinary equity shares of par value of ₹10/- each	**3,272.30**	3,272.30
(327,23,02,436 Ordinary equity shares of par value ₹ 10/- each as at 31st March, 2022)		
	3,272.30	3,272.30

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

	As at 31 March 2023		As at 31 March 2022	
	No of Shares	₹ in crore	No of Shares	₹ in crore
At the beginning of the year	**3,27,23,02,436**	**3,272.30**	3,27,23,02,436	3,272.30
Addition during the year	**-**	**-**	-	-
Outstanding at the end of the year	**3,27,23,02,436**	**3,272.30**	3,27,23,02,436	3,272.30

Terms and rights attached to equity shares: The Company has only one class of equity shares having a par value ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

b) Details of Equity shareholders holding more than 5% shares in the company

	As at 31 March 2023		As at 31 March 2022	
	% of Holding	Number of Shares	% of Holding	Number of Shares
NTPC Limited	**86.49%**	**2,83,00,76,305**	86.49%	2,83,00,76,305
MSEB Holding Company Limited	**13.51%**	**44,22,26,131**	13.51%	44,22,26,131

C) Details of shareholding of promoters:

Shares held by promoters as at 31 March 2023

Promoter name	No. of shares	%age of total shares	%age changes during the year
NTPC Limited	2,83,00,76,305	86.49%	0.00%

Shares held by promoters as at 31 March 2022

Promoter name	No. of shares	%age of total shares	%age changes during the year
NTPC Limited	2,83,00,76,305	86.49%	0.00%

Note 16 - Other equity

₹ Crore

As At	31-Mar-23	31-Mar-22
Other equity:		
Retained earnings		
As per last financial statements	**(3,771.22)**	(3,553.48)
Add: Redemption of 0.01% Cumulative Redeemable Preference Shares	**-**	-
Add: Profit/ (loss) for the year	**(179.60)**	(217.73)
Less: Transferred to self insurance reserve	**-**	-
Sub-Total (a)	**(3,950.82)**	(3,771.22)
Other reserves:		
- Self insurance reserve		
As per last financial statements	**200.00**	200.00
Add: Creation during the year	**-**	-
Sub-Total (b)	**200.00**	200.00
- Deemed Equity- NTPC		
As per last financial statements	**408.99**	408.99
Add: Creation during the year	**-**	-
Sub-Total (c)	**408.99**	408.99
Total (a+b+c)	**(3,341.83)**	(3,162.23)

a) Self Insurance Reserve is created to cover Machinery Break Down for which company has not entered into any insurance cover agreement with insurance companies.

b) Difference between transaction price and present value of the NTPC Coporation Loan (ICL-2) has been recognised as deemed equity under other reserve with effect from 31.12.2020, i.e. transaction date. Accordingly balance sheet has been restated with effect from FY 2020-21.

Note 17 - Borrowings

₹ Crore

As At	31-Mar-23	31-Mar-22
Term loans - Secured		
From Others (Rupee Term Loan):		
NTPC Ltd - Inter Corporate Loan (ICL) - 1	**712.42**	765.52
NTPC Ltd - Inter Corporate Loan (ICL) - 2	**199.69**	181.54
Total	**912.11**	947.06

a) The Term Loan from NTPC Ltd - ICL-1 is repayable in 44 un-equated Quarterly installments starting from the Balance Sheet date and ending on 31st March, 2034, carrying interest @10% p.a., which shall be reviewed and mutually decided at the beginning of each financial year.

b) As per the Loan Agreement with NTPC Ltd, for Novated Inter Corporate Loan (ICL) – 2, principal repayment shall start from financial year 2034-35 or after full repayment of ICL-1, whichever is earlier as per mutually decided schedule. In case of early repayment of ICL-1 in full, repayment of ICL-2 shall be advanced accordingly. The rate of interest will be mutually decided at the time of start of repayment of ICL-2.

Accordingly, total amount of ₹ 570.19 crores novated and payable under loan agreement ICL-2 has been recognised at present value of ₹ 161.39 crores on 31.12.2020, considering interest rate @10%, in compliance to Ind AS 32 / Ind AS 109. The difference between transaction value and present value of ICL-2 as on transaction date, i.e. 31.12.2020, of ₹ 408.99 crores has been recognised as deemed equity under other reserves with effect from 31.12.2020, i.e. transaction date. Accordingly balance sheet has been reinstated from FY 2020-21.

c) Term Loans are secured by:

(i) A first ranking pari passu charge / mortgage on the assets (moveable and immovable, tangible and intangible) of the Borrower, both present and future.

(ii) A first ranking pari passu charge on the entire cash flows, Current Assets, receivables, book debts, goodwill and revenues of the Borrower of whatsoever nature and wherever arising, both present and future.

(iii) A first ranking pari passu charge on all rights, title₹s, interests, benefits, claims and demand (including without limitation the Clearances, Insurance Contracts, proceeds under the Insurance Contracts, performance bonds, contractors' guarantees, bank guarantees, advance payment guarantees and any letter of credit provided by any person), both present and future.

(iv) A first ranking pari passu charge on all the bank accounts of the Borrower.

Note 18 - Non Current Provisions

₹ Crore

As At	31-Mar-23	31-Mar-22
Provision for others #		
As per Last Balance Sheet	**13.43**	12.02
Add: Additions/Adjustments during the year	**2.36**	1.41
Less: Amount paid/Adjustments during the year	**-**	-
Total	**15.79**	13.43

- Provision for others represents provision made against contract performance under CSA Agreement with GE International Inc. Changes represent exchange fluctuation at balance sheet date and finance charges.

Note 19 - Short Term Borrowings

₹ Crore

As At	31-Mar-23	31-Mar-22
At amortised cost:		
Current maturity of long term loans		
From Others (Rupee Term Loan):		
NTPC Ltd - Inter Corporate Loan (ICL) - 1	**53.10**	53.10
	53.10	53.10

Note 20 - Lease Liabilities

₹ Crore

As At	31-Mar-23	31-Mar-22
Lease Liabilities	**-**	-
Total	**-**	-

Note 21 - Trade Payables

₹ Crore

As At	31-Mar-23	31-Mar-22
For goods and services		
Total outstanding dues of		
- micro and small enterprises	**0.34**	0.38
- creditors other than micro and small enterprises	**189.36**	272.61
Total	**189.70**	272.99

a) Disclosure as reqired under Companies Act, 2013/ Micro, Small and Medium enterprises as required by MSMED Act, 2006: Refer Note No. 44.

b) Amounts payable to related parties are disclosed in Note 40

c) Trade Payables ageing schedule as at 31 March 2023

₹ Crore

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.34	-	-	-	**0.34**
(ii) Others	-	-	32.94	3.78	3.73	0.09	**40.54**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	148.82	**148.82**
Total	**-**	**-**	**33.28**	**3.78**	**3.73**	**148.91**	**189.70**

Disputed Amount Trade payable includeds:

i) Rs. 113.64 crores payable to GAIL (India) Limited.for take or pay charges releated to gas tranporation pipeline for the FY 2013-14.

ii) Rs. 31.88 crore is payable to beneficiaries towards VAT set off of past period

iii) Rs. 3.30 crore payable to Konkan LNG Limited on account of revision of CERC Tariff for the period 2019-24.

d) Trade Payables ageing schedule as at 31 March 2022

₹ Crore

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.38	-	-	-	0.38
(ii) Others	-	-	119.81	3.89	0.00	-	123.71
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	148.91	148.91
Total	-	-	120.20	3.89	0.00	148.91	272.99

Disputed Amount Trade payable includes:

i) Rs. 113.64 crores payable to GAIL (India) Limited.for take or pay charges releated to gas tranporation pipeline for the FY 2013-14.

ii) Rs. 31.88 crore is payable to beneficiaries towards VAT set off of past period

iii) Rs. 3.30 crore payable to Konkan LNG Limited on account of revision of CERC Tariff for the period 2019-24.

iv) Rs. 0.08 crore payable to Krishnamai Medical & Research Foundation on account of medical services.

Note 22 - Other Current Financial Liabilities

₹ Crore

As At	31-Mar-23	31-Mar-22
Deposits/Retention Money from Customers/contractors/others@	**52.19**	51.78
Payable for capital expenditure	**-**	0.81
Expenses payable and other liabilities	**2.35**	1.92
Total	**54.54**	54.51

a) @ includes amount payable to GAIL(India) Ltd ₹43.82 crore (P.Y. ₹43.82 crore) on account of revision of Transmission Charges on supply of fuel.

b) Disclosure as reqired under Companies Act, 2013/ Micro, Small and Medium enterprises as required by MSMED Act, 2006: Refer Note No. 44.

Note 23 - Other Current Liabilities

₹ Crore

As At	31-Mar-23	31-Mar-22
Statutory dues	**3.72**	4.85
Advances - Customers	**171.58**	171.76
- Others	**0.07**	0.06
Total	**175.37**	176.67

Note 24 - Current Provisions

₹ Crore

As At	31-Mar-23	31-Mar-22
Provision for employee benefits		
As per Last Balance Sheet	**2.41**	2.13
Add: Additions/Adjustments during the year	**0.12**	0.65
Less: Amount paid during the year	**0.39**	0.37
Sub-Total	**2.14**	2.41
Provision for fixed assets		
As per Last Balance Sheet	**0.12**	0.12
Add: Additions during the year (P.Y. ₹ 25,754/-)	**-**	0.00
Less: Adjustments during the year	**-**	-
Sub-Total	**0.12**	0.12

₹ Crore

As At	31-Mar-23	31-Mar-22
Provision for Transmission charges		
As per Last Balance Sheet	**4.18**	-
Add: Additions/Adjustments during the year	**-**	4.18
Less: Adjustments during the year	**4.18**	-
Sub-Total	**-**	4.18
Total	**2.26**	6.71

Note : 25 Revenue from Operations

₹ Crore

For the Year ended	31-Mar-23	31-Mar-22
Energy sales	**511.39**	2,378.45
Less: Transmission Charges	**16.61**	423.11
Total	**494.78**	1,955.34

Note : 26 Other Income

₹ Crore

For the Year ended	31-Mar-23	31-Mar-22
Interest income from:		
- Loan to employees C.Y ₹15,792/- (P.Y. ₹42,586/-)	**-**	-
- Term deposit - Banks	**6.71**	9.83
- Others (Unwinding of Lease)	**0.53**	0.13
Other non-operating income:		
- Sale of scrap	**1.33**	1.68
- Miscellanoeus income*	**37.95**	46.00
- Profit on disposal of PPE (₹ P.Y 13,574/-)	**0.01**	-
Total	**46.53**	57.64

* It includes ₹ 36.41 crore (P.Y. ₹ 18.26 crore) against Income from Konkan LNG Ltd i.r.o. CSA, CISF and Chiller Services

Note : 27 Fuel Cost

₹ Crore

For the Year ended	31-Mar-23	31-Mar-22
Fuel consumed	**379.49**	1,312.33
Total	**379.49**	1,312.33

Note : 28 Energy Purchased

₹ Crore

For the Year ended	31-Mar-23	31-Mar-22
Cost of Energy Purchase	**-**	413.93
Total	**-**	413.93

Note : 29 Employee Benefits expense

₹ Crore

For the Year ended	31-Mar-23	31-Mar-22
Salaries and wages	**20.22**	18.35
Contribution to provident and other funds	**2.60**	4.11
Staff welfare expenses	**3.02**	2.99
Total	**25.84**	25.45

Disclosure required by Ind AS 19 in respect of provision made towards various employees benefits : Refer Note No. 52 & 53.

Payments made to Key Managerial Persons have been disclosed at Note No . 40.

Note : 30 Finance Costs

₹ Crore

For the Year ended	31-Mar-23	31-Mar-22
Interest on rupee term loans	**81.44**	85.17
Others	**-**	-
Accretion of provision *	**19.41**	17.64
Total	**100.85**	102.81

* - Accretion of provision includes unwinding of CSA provision - ₹ 2.36 crore (PY - ₹ 1.41 crores) and Inter Coporate Loan - 2 - ₹ 17.05 crore (PY ₹ 16.23 crores)

Note : 31 Other Expenses

₹ Crore

Particulars	31-Mar-23		31-Mar-22	
Power charges	**1.72**		1.78	
Less: Recovered from contractors & employees	**(0.02)**	**1.70**	(0.02)	1.76
Stores consumed		**0.44**		0.71
Rent		**-**		0.07
Repairs & maintenance:				
-Buildings	**5.98**		7.90	
-Plant & machinery	**29.29**		45.28	
-Others	**0.50**	**35.77**	0.69	53.87
Insurance		**17.48**		14.78
Rates and taxes		**2.70**		3.37
Brokerage & Commission		**0.04**		0.05
Training & recruitment expenses (P.Y. ₹ 11,490/-)		**0.01**		-
Communication expenses		**0.58**		0.52
Travelling expenses		**1.26**		0.96
Payment to auditors (refer details below)		**0.12**		0.11
Advertisement and publicity (C.Y. ₹ 12,600/-)		**-**		0.01
Security expenses		**26.40**		23.89
Entertainment expenses		**0.24**		0.21
Expenses for guest house	**1.85**		1.71	

₹ Crore

Particulars	31-Mar-23		31-Mar-22	
Less : Recoveries	**(0.15)**	**1.70**	(0.23)	1.48
Professional charges and consultancy fees		**2.46**		1.56
Legal expenses		**-**		1.04
EDP hire and other charges		**0.26**		0.14
Printing and stationery		**0.04**		0.06
Hiring of vehicles		**1.02**		1.04
Net Loss/(Gain) in foreign currency transactions & translations		**1.70**		0.58
Miscellaneous expenses		**3.51**		1.16
Loss on disposal/write-off of fixed assets		**-**		0.08
Provision for obsolescence on Stores		**-**		0.13
Provision for Doubtful Debts		**82.27**		10.52
Total		**179.70**		118.10
Details of remuneration to auditors :				
As auditor				
Audit fee		**0.06**		0.06
Tax audit fee		**0.02**		0.02
In Other Capacity				
Other Services		**0.04**		0.04
Reimbursement of expenses		**-**		-
Total		**0.12**		0.11

32 Previous year figures have been regrouped /rearranged wherever considered necessary.

33 Amount in the Financial Statements are presented in ₹ crore (upto two decimals) except for per share data and as otherwise stated. Certain amounts, which do not appear due to rounding off, are indicated separately.

34 a) The Company has a system of obtaining annual confirmation of balances from Lenders and other parties. There are no unconfirmed balances in respect of bank accounts and loan borrowings. Reconciliation with beneficiaries and other customers is generally done on annual basis. So far as trade/other payables, loans and advances and balances with related parties are concerned, the balance confirmation letters with negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent ot the parties. Some of such balances are subject to confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material effect.

b) In the opinion of the management, the value of assets, other than Property, Plant & Equipment, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

c) The company has bifurcated its assets and liabilities into current and non-current based on the judgement made by the management.

35 RGPPL has taken over the assets of the erstwhile Dabhol Power Company (DPC) in Oct. 2005 free from any past liabilities and encumbrance as per orders of Hon'ble Mumbai High Court from the court receiver. DPC had terminated certain workmen while vacating the site. RGPPL has engaged the services of these employees through a third party on compassionate grounds. These employees had filed a suit for absorption as regular employees of RGPPL. The local court's order which was against RGPPL has been challenged in Mumbai High Court and High Court vide its order dtd. December 11, 2017 has granted stay till further orders and the matter is subjudice.

36 Single point mooring (SPM), a floating metallic structure anchored by six number of chains to sea bed inside the high sea (approx. 9 km from seashore) has been sunk into the sea during the financial year 2015-16 in monsoon period. Through sonar survey conducted to locate its position, it is found near its floating location. Company has lodged the insurance claim for the same, which is under process. Accordingly, provision of ₹ 30.15 crore for SPM, equivalent to the written down value, has been made in the books in the financial year 2018-19.

37 Central Railway (Maharashtra), had deducted transmission charges (STU) for a capacity of 255 MW for the period from April, 2017 to March, 2018 and 260 MW capacity for the period from April, 2018 onwards as against the capacity allocation of 230 MW and 210 MW respectively for the said period, resulting into additional financial burden of Rs. 15.80 crores. Central Railway has deducted the transmission charges on actual from July,2021 & refunded Rs 2.08 crore for the period Sep'18-June'20. In this regard your Company has filed petition before CERC on 23.03.2020 for refund of Rs 15.80 Cr for the period Apr'17-Aug'18. Petition No. 344/MP/2020-RGPPL Vs MSETCL and CERC, which was presented before CERC on 12.08.2022. Next date of hearing is awaited.

38 Contingent liabilities and commitments

(a) Contingent Liablilities

Irrigation Department, Ratnagiri, Maharashtra, has given notice to Maharashtra Industrial Development Corporation for payment of royalty of ₹ 102.22 Crore towards the sweet water supply from river for the period from April 1997 to December 2016. It is pertinent to mention here that company has taken over the assets of the erstwhile Dabhol Power Company in October 2005 free from any past liabilities and encumbrances from the court receiver. Further, Maharashtra State Electricity Distribution Company Limited (MSEDCL) is supposed to supply 14 MLD of water to RGPPL free of cost. If the company has to incur any expenditure towards supply of water, then as per the clause 5.13 of Power Purchase Agreement signed with MSEDCL, the company has the right to claim reimbursement of the same towards water supply cost.

(b) Commitments

Estimated amount of contract remaining to be executed on capital account and not provided for as at March 31, 2023 is ₹ 8.41 crore (March 31, 2022 ₹ 10.43 crore).

39 Disclosure as per Ind AS - 2 on 'Inventories'

Amount of inventories consumed and recognised as expense during the year is as under:

Particulars	2022-23	2021-22
Fuel	**0.46**	0.58
Others	**8.67**	17.30
Total	**9.13**	17.88

40 Disclosure as per Ind AS - 24 on 'Related Party Disclosures'

a) List of Related parties:

i)	**Holding Company:**	
	NTPC Limited	
ii)	**Key Management Personnel (KMP):**	
	Shri Asim Kumar Samanta	Managing Director (from 01.04.2021 to 23.04.2021)
	Shri Asim Kumar Samanta	Chief Executive Officer (From 24.04.2021 to 31.12.2022)
	Shri Vijay Goel	Chief Executive Officer (From 01.01.2023 to 28.02.2023)
	Shri Sanjay Agarwal	Chief Executive Officer (w.e.f. 01.03.2023)
	Shri Aditya Agarwal	Company Secretary (from 01.04.2021 to 31.10.2021)
	Shri Amit Verma	Company Secretary (w.e.f. 23.04.2022)
	Shri Ajay Sharma	Chief Financial Officer
iii)	**Directors Other than Key Management Personnel (KMP):**	
	Shri Sital Kumar	Chairman (from 01.04.2021 to 18.04.2021)
	Shri Praveen Saxena	Chairman (w.e.f. 19.04.2021)
	Shri Sanjay Khandare	Non-executive Director (from 01.04.2021 to 30.09.2022)
	Shri Anbalagan Ponnusamy	Non-executive Director (w.e.f 19.01.2023)
	Shri Aditya Dar	Non-executive Director
	Ms Sangeeta Kaushik	Non-executive Director (w.e.f. 26.04.2021)

iv) **Post Employment Benefit Plan:**

RGPPL Employees Gratuity Fund Trust

v) **Subsidiary / Joint Venure of NTPC Ltd:**

NTPC Vidyut Vyapaar Nigam Limited

Utility Powertech Limited

vi) **Entities under the control of the same government:**

The Company is a Subsidiary of Central Public Sector Undertaking (CPSU) i.e., NTPC Ltd, controlled by Central Government. Pursuant to Paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has availed exemption available for government related entities and has made limited disclosures in the financial statements. Such entities with which the company has significant transactions include but not limited to Power System Operations Corporation Ltd (POSOCO), GAIL (India) Ltd, Hindustan Petroleum Corporation Ltd, The Oriental Insurance Company Ltd, Central Railways Maharashtra, Western Railways Gujarat, West Central Railways Madhya Pradesh, South Eastern Railways Jharkhand, South Western Railways Karnataka, North Central Railways Uttar Pradesh.

b) **Transactions with related parties are as follows:**

i) Remuneration to the key management personnel current year is ₹ 1.90 crore (Previous Year ₹ 1.26 crore) and amount of dues outstanding to the company as on 31st March 2023 are Nil (Previous Year - Nil)

₹ Crore

Remuneration to KMP & Directors	Current Year	Previous Year
Shri Asim Kumar Samanta	**1.22**	0.58
Shri Vijay Goel	**0.12**	-
Shri Sanjay Agarwal	**0.02**	-
Shri Ajay Sharma	**0.48**	0.57
Shri Aditya Agarwal	**-**	0.11
Shri Amit Verma	**0.06**	-

ii) Transactions with post employment benefit plans:

₹ Crore

Name of the company / Person	Nature of transaction	Current Year	Previous Year
RGPPL Employees Gratuity Fund Trust	**Insurance Premium**	**0.07**	0.04

iii) Transactions with related parties are as follows:

₹ Crore

Name of the company / Person	Nature of transaction	Current Year	Previous Year
NTPC Limited	Corporate Loan	**100.00**	-
	Interest on corporate loan	**81.45**	85.17
	Other services	**0.17**	0.07
NTPC Vidyut Vyapaar Nigam Limited	Intermediary for Sale of power	**1.11**	6.81
	Sale of power	**14.10**	68.01
	Energy Purchase	**-**	413.93
	Corridor Charges	**0.75**	26.31
Utility Powertech Limited (UPL)	Contract for works/services received by the company	**25.47**	27.44

c) **Outstanding balances with related parties are as follows:**

₹ Crore

Name of the company / Person	Current Year	Previous Year
Amount recoverable		
- From NTPC Vidyut Vyapaar Nigam Limited - (C.Y.₹ 36,132/-)	**0.00**	11.33
Amount payable		
- To NTPC Limited	**966.94**	1,000.74
- To NTPC Limited (Deemed Equity)	**408.99**	408.99
- To Utility Powertech Limited	**0.29**	2.61
- To NTPC Vidyut Vyapaar Nigam Limited -(P.Y ₹ 26,800/-)	**0.44**	0.00

d) **Transactions with the related parties under the control of the same government:**

₹ Crore

Name of the company / Person	Nature of transaction	Current Year	Previous Year
GAIL (India)Limited	Purchase of Fuel	**378.09**	1,312.33
Power System Operations Corporation Ltd	Other Payments	**11.35**	50.91
Hindustan Petroleum Corporation Ltd	Purchase of Oil Products	**0.47**	0.79
The Oriental Insurance Company Ltd	Insurance	**15.47**	14.88
Central Railways Maharashtra	Sale of Energy	**-**	897.15
Western Railways Gujarat		**-**	346.45
West Central Railways Madhya Pradesh		**-**	366.29
South Eastern Railways Jharkhand		**-**	288.44
South Western Railways Karnataka		**-**	131.54
North Central Railways Uttar Pradesh		**-**	221.43

e) **Terms and conditions of the transactions with the related parties:**

i) Transactions with the related parties are made on normal commercial terms and condition and at market value.

ii) The Company has assigned jobs on contract basis for sundry works in plants/stations/offices to M/s. Utility Powertech Limited (UPL), a 50:50 joint venture between the NTPC Limited and Reliance Infrastructure Limited. The Company has entered into Power Station Maintenance Agreement with UPL from time to time. The rates are fixed on cost plus basis after mutual discussion and after taking into account the prevailing market conditions.

iii) The company has entered into a venture of trading of surplus electricity at registered electricity exchange in India through registered trader M/s NTPC Vidyut Vyapaar Nigam Limited (100% subsidiary of NTPC Ltd.). Electricity Rates are arrived at exchange determined methodology with agreed trading margin/brokerage charges of exchange/trader.

iv) Outstanding balances are unsecured and settlement occurs through adjustment/banking transactions. These balances other than loans are interest free. For the year ended March 31, 2023 and March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

41 Disclosure as per Ind AS - 108 on 'Operating Segments'

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one business segment which is generation and sale of bulk power to State Power Utilities & Others in India, which acts as a single business segment based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Hence the company falls within a single operating segment "Generation and sale of bulk power to State Power Utilities & Others".

42 Disclosure as per Ind AS 116 'Leases'

Company as Lessee

(a) The Company's significant leasing arrangements are in respect of leases of offices for a period of 9 years. The leasing arrangement is renewable on mutually agreed terms but is not non-cancellable. Lease rentals are subject to escalation of 5% per annum.

(i) The following are the carrying amounts of Right of Use Assets (ROU) recognised and the movements during the period:

₹ Crore

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Opening Balance	-	2.07
- Additions in ROU Assets	-	-
- Depreciation charged during the year	-	0.13
- Adjustments due to closure of contracts	-	1.94
Closing Balance	-	-

(ii) The following are the carrying amounts of lease liabilities recognised and the movements during the period:

₹ Crore

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Opening Balance	-	2.21
- Additions in lease liabilities	-	-
- Interest cost during the year	-	0.07
- Payment of lease liabilities	-	0.41
- Adjustments due to closure of contracts	-	1.87
Closing Balance	-	0.00
Current	-	-
Non Current	-	0.00

(iii) Maturity Analysis of the lease liabilities:

₹ Crore

Contractual undiscounted cash flows	For the Year ended 31 March 2023	For the Year ended 31 March 2022
3 months or less	-	-
3-12 Months	-	-
1-2 Years	-	-
2-5 Years	-	-
More than 5 Years	-	-
Lease liabilities as at closing of the year	-	-

(iv) The following are the amounts recognised in profit or loss:

₹ Crore

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Depreciation expense for right-of-use assets	-	-
Interest expense on lease liabilities	-	-

(v) The following are the amounts disclosed in the cash flow statement:

₹ Crore

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Cash Outlow from leases	-	0.41

43 Going concern

In view of non-recovery of capacity charges from beneficiaries as stated in Note No. 48 and under-utilization of power generation capacity, the company has incurred losses amounting to ₹ 3,341.83 crore up to March 31, 2023 (for the year Loss ₹ 179.60 crore) and the net worth of the company as on March 31, 2023 stands as negative ₹ 69.53 crore. Company has also provided impairment loss of ₹ 2,854.13 crore (for the year ₹ 28.80 crores) upto March 31, 2023 in the books of accounts. However, the management has prepared and presented financial statements of the company on a going concern basis in view of the following mitigating factors:

Unprecedented increase in price of gas at international level has made the electricity generation uncompetitive at present, however gas price are coming down gradually. Company is hopeful to continue its operations as company is keeping its mahcines in ready to operate mode and carrying out the required overhauling to supply power under RRAS Scheme to GRID or to interested customers as mechant power.

Following additional favourable factors are considered for preparation of accounts on Going Concern Basis:

a. Company is under active consideration for sustained operation with Ministry of Power.

b. Considering the current power/grid scenario company is injecting power in the grid time-to-time to ensure stability of the Grid as per the instruction of WRLDC/NLDC.

c. Company is supplying 12 MW power to Daman and Diu, w.e.f.01.01.2019, under existing PPA for 25 years.

d. Increase in oil and gas prices should be temporary phase arisen due to global political uncertainty and gardually reducing.

44 Information in respect of Micro, Small and Medium Enterprises as at 31 March 2023 as required by Micro, Small and Medium Enterprises Development Act, 2006

₹ Crore

	Particulars	31 March 2023	31 March 2022
a)	Amount remaining unpaid to any supplier		
	Principal amount	**0.34**	0.38
	Interest due thereon	-	-
b)	Amount of interest paid in terms of section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-
c)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d)	Amount of interest accured and remaining unpaid	-	-
e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act.	-	-

The payment to the vendors are made as and when they are due, as per terms and conditions of respective contracts.

45 Disclosure as per Ind AS - 12 on 'Income taxes'

Deferred Tax Assets/Liability has not been accounted for as the company is running under continuous losses and does not considered probable that any taxable profit will arise in future so as to adjust these timing differences.

46 Disclosure as per Ind AS - 36 on 'Impairment of Assets'

Based on the impairment study, the Company has provided Impairment Loss of ₹ 28.80 crore (P.Y. ₹ 228.16 crore) in the books of accounts of the Company.

As per Indian Accounting Standard 36 "Impairment of Assets", the carrying amount of the valuing asset is required to be tested for impairment by comparing its Recoverable Amount with its Carrying Amount, an on an annual basis. The Recoverable Amount of an asset is the greater of its 'fair value less cost of disposal' and its 'value in use'.

The Company has adopted Fair Value Less Cost of Disposal for impairment study. Fair Value less cost of disposal of PPE has been calculated based on depreciated replacement cost approach adjusted for cost of disposal.

47 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Basic	31 March 2023	31 March 2022
Profit/ (Loss) attributable to Equity Shareholders (in ₹)	**(1,79,60,00,000)**	(2,17,73,45,634)
Weighted average number of equity shares in calculating basic EPS	**3,27,23,02,436**	327,23,02,436
Basic earnings (loss) per equity share	**(0.55)**	(0.67)

Diluted	31 March 2023	31 March 2022
Profit/ (Loss) attributable to Equity Shareholders (in ₹)	**(1,79,60,00,000)**	(2,17,73,45,634)
Weighted average number of equity shares in calculating diluted EPS	**3,27,23,02,436**	3,27,23,02,436
Total no. of shares outstanding (including dilution)	**3,27,23,02,436**	3,27,23,02,436
Diluted earnings (loss) per equity share	**(0.55)**	**(0.67)**

48 Revenue Recognition

(a) The company raised bills for ₹ 1,902.62 crore (F.Y. 2013-14 - ₹ 1,222.83 crore and F.Y. 2014-15 - ₹ 679.79 crore) being fixed charges billed to beneficiaries based on capacity declaration on alternate fuel, i.e. RLNG, based on the CERC Order dated July 30, 2013. Company has declared capacity in line with CERC Regulations and has raised bills based on monthly regional energy account issued by Western Regional Power Committee (WRPC) secretariat. Company has raised rightfully the bills under the CERC Regulations and legally entitled for recovery of the same from the beneficiaries.

Company has got the decision in its favour against the appeal filed by principal beneficiary in Appellate Tribunal of Electricity (APTEL) against the CERC Order on capacity declaration on RLNG. However, principal beneficiary has not paid any amount and approached Hon'ble Supreme Court against the above Order. The stay application has been disposed off by the Hon'ble Supreme Court in the absence of any coercive action against the appellant for recovery and giving liberty to appellant (MSEDCL) to move to this court once again in the event it becomes so necessary. Furhter, during the meeting held in Prime Minister's Office on August 17, 2015, it was advised to keep the matter of recoveries in abeyance to evolve way forward for revival of the company. Execution petition has been filed by the company in APTEL on November 25, 2022 for APTEL order dated April 22, 2015. MSEDCL has filed civil appeal in Hon'ble Supreme Court for stay of APTEL execution petition on January 10, 2023 and matter is accepted by Hon'ble Supreme Court for hearing on July 18, 2023.

Being the amount associated is significant and there is uncertainty in probability of collection, as stated above, company has postponed the recognition of the revenue in its books of accounts, in accordance with the IND AS 115 - Revenue from Contracts with Customers, till final resolution of the matter.

Since the matter is subjudice, therefore amount of ₹ 171.58 crore received from the beneficiaries is not adjusted against the dues and shown separately as Advance from Customers under the head Other Current Liabilities (Refer note 23).

(b) In view of non-payment of dues by beneficiaries and uncertainty in collection, company has not considered bills raised for ₹ 0.73 crore (F.Y 2021-22 ₹ 2.86 crore F.Y. 2020-21 ₹ 2.02 crore; F.Y. 2019-20 ₹ 4.57 crore; F.Y. 2018-19 ₹ 11.98 crore) towards recovery of other charges as revenue during the year as a prudent measure.

(c) In view of non scheduling of energy and non payment by beneficiaries and associated uncertainty in collection of revenue, company has not considered bills for ₹ 318.37crore (F.Y. 2021-22 ₹ 81.84 crore F.Y. 2020-21 ₹ 122.57 crore; F.Y. 2019-20 ₹ 111.97 crore; F.Y. 2018-19 ₹ 21.86 crore; F.Y. 2016-17 ₹ 72.23 crore; F.Y. 2017-18 ₹ Nil), raised during the current Financial Year towards capacity charges on domestic gas as revenue as a prudent measure.

(d) In view of non-payment of dues by beneficiaries and uncertainty in collection, company has not considered bills raised for ₹ 856.87 Crore (F.Y. 2021-22 ₹ NIL crore F.Y. 2020-21 ₹ 175.91 crore; F.Y. 2019-20 ₹ 480.96 crore) towards recovery of Surcharge during the year as a prudent measure.

(e) In view of non-payment of dues on account of various issues raised by beneficiaries in respect of bills raised in the financial year 2013-14 aggregating to ₹ 323.77 crores for capacity charges, Ship or Pay charges etc have been considered doubtful and fully provided for in the same financial year 2013-14 on prudent basis.

(f) Revenue from contracts with customers

1) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

₹ in Crore

	31-Mar-23	31-Mar-22
Revenue by Contract Type		
Reconciliation of revenue recongnised:		
Contract Price	**496.50**	1,955.44
Adjustments for:		
Rebates	**(1.72)**	(0.10)
Total revenue from contracts with customers	**494.78**	1,955.34
Geographical Markets:		
In India	**494.78**	1,955.34
Total revenue from contracts with customers	**494.78**	1,955.34
Timing of revenue recognition:		
Services transferred over time	**494.78**	1,955.34
Total revenue from contracts with customers	**494.78**	1,955.34

2) Contract balances

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

₹ in Crore

	31-Mar-23	31-Mar-22
Trade receivables (Net)*	**42.24**	81.01
Contract liabilities		
Advances from customers	**171.58**	171.76
Contract assets		
Unbilled revenue	**0.84**	87.66

* Trade receivables are non-interest bearing and are generally on terms of 10 to 17 days.

3) **Changes in contract liabilities**

₹ in Crore

	31-Mar-23	31-Mar-22
Balance at the beginning of the year	**171.58**	171.76
Revenue recognised that was included in Advances balance at the beginning of the year	**-**	-
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**-**	-
Balance at the end of the year	**171.58**	171.58

4) **Changes in contract assets**

₹ in Crore

	31-Mar-23	31-Mar-22
Balance at the beginning of the year	**87.66**	72.47
Revenue recognised during the year	**0.84**	87.66
Invoices raised during the year	**87.66**	72.47
Translation exchange during the year	**-**	-
Balance at the end of the year	**0.84**	**87.66**

49 Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. This note explains the sources of risk which the entity is exposed to and how the company manages the risk. The Company is exposed to market risk, credit risk and liquidity risk.

The Company board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

1. 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. It is a risk of changes in market prices such as foreign exchange rates and interest rates that will affect Company's income or the value of its holding of financial instruments.

(a) Interest rate risk

Company does not have significant floating interest bearing borrowings as at 31st March 2023 and 31st March 2022; hence company is not exposed to interest rate risk at present.

(b) Foreign currency risk

The company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises.

₹ Crore

Particulars	31-Mar-23	31-Mar-22
Financial Liabilities in USD		
Non Current Provisions	**15.79**	13.43
Retention from Contractors	**5.92**	5.46
Trade Payables & Other financial liabilities	**1.61**	2.03
Total	**23.32**	20.92

2. **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's treasury department is responsible for managing the short-term and long-term liquidity requirements of the Company. Short-term liquidity situation is reviewed daily by the Treasury Department. The Board of directors has established policies to manage liquidity risk and the Company's Treasury Department operates in line with such policies. Any breaches of these policies are reported to the Board of Directors. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a month, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

As part of the CERC Regulations, tariff inter-alia includes recovery of capital cost. The tariff regulations also provide for recovery of energy charges, operations and maintenance expenses and interest on normative working capital requirements. Since billing to the customers are generally on a monthly basis, the Company maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

(i) **Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ Crore

Particulars	31-Mar-23	31-Mar-22
Fixed-rate borrowings	-	-
Floating-rate borrowings	-	-
Total	**-**	-

(ii) **Maturities of Financing Liabilities**

The contractual maturities of the Company's financial liabilities are presented below:

₹ Crore

As at 31 March 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings Principal	-	13.27	39.83	238.95	673.16	**965.21**
Expenses Payables	2.35	-	-	-	-	**2.35**
Payable for Capital Expenditure	-	-	-	-	-	**-**
Deposits from Customers	52.19	-	-	-	-	**52.19**
Trade payables	189.70	-	-	-	-	**189.70**
Total	**244.24**	**13.27**	**39.83**	**238.95**	**673.16**	**1,209.45**

₹ Crore

As at 31 March 2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings Principal	-	13.27	39.83	223.02	724.04	1,000.16
Expenses Payables	1.92	-	-	-	-	1.92
Payable for Capital Expenditure	0.81	-	-	-	-	0.81
Deposits from Customers	51.78	-	-	-	-	51.78
Trade payables	272.99	-	-	-	-	272.99
Total	327.50	13.27	39.83	223.02	724.05	1,327.67

3. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. There are no impairment losses on financial assets to be recognised in statement of profit and loss for the year ended 31st March 2023 and for the comparative year ended 31st March 2022.

Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management does not expect any significant credit risk out of exposure to trade and other receivables, as the major revenue is contributed by credit sales with a credit period that ranges from 10- 17 working days.

The Company has entered into PPA, with due approval of the Board, with Beneficiaries including Indian Railways wherein all terms & conditions in respect of billing, payments, credit period etc. are covered.

Cash and cash equivalents: The company held cash and cash equivalents of ₹ 37.43 crore as at 31st March 2023 (31st March 2022: ₹ 120.76 crore). The cash and cash equivalents are held with public sector banks and leading private sector Bank. There is no impairment on cash and cash equivalents as on the reporting date and the comparative period.

Investments: The Company limits its exposure to credit risk by investing in only Government of India Securities, State Government Securities and other counterparties have a high credit rating. The management actively monitors the interest rate and maturity period of these investments. The Company does not expect the counterparty to fail to meet its obligations, and has not experienced any significant impairment losses in respect of any of the investments.

Loans: The Company has given loans to employees. Loans to the employee are secured against the mortgage of the house properties and hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the reporting date was:

₹ Crore

Particulars	31-Mar-23	31-Mar-22
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current loans	**0.45**	0.45
Other non-current assets	**29.50**	34.04
Cash and cash equivalents	**37.43**	120.76
Bank balances other than cash and cash equivalents	**163.37**	211.96
Current loans	**0.38**	0.35
Other current financial assets	**4.28**	4.28
Other current assets	**54.14**	114.38
Total (A)	**289.55**	486.22

Particulars	31-Mar-23	31-Mar-22
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	**42.24**	81.01
Unbilled revenue	**0.84**	87.66
Total (B)	**43.08**	168.67
Total (A+B)	**332.63**	654.89

(ii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

₹ Crore

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as at 31st March 2023	**0.84**	**22.39**	**-**	**-**	**-**	**19.85**	**43.08**
Gross carrying amount as at 31st March 2022	87.66	46.07	26.81	5.18	0.31	2.64	168.67

Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

50 Accounting classifications and fair value measurements

The directors considered that the carrying amount of financial assets & financial Liabilities carried at amortised cost are recognised in the standalone financial statements approximate their fair value

51 Events occurring after the reporting period

There are no events occurring after the reporting period which have material impact on the financials.

52 Disclosure as per Ind AS 19 'Employee Benefits' - RGPPL own cadre employees

(i) Defined Contribution Plan

Provident Fund

Since the Company has no independent trust, the contribution to Provident Fund / Pension Fund / Other Funds amounting to ₹ 0.60 crores excluding ₹ 1.44 crores pertaining to employees of promoter companies (Previous Year ₹ 0.55 crore excluding ₹ 1.27 crore pertaining to employees of promoter companies) has been deposited directly with RPFC Account of RGPPL cadre Employees.

Pension

Company has implemented the pension scheme for the employees through National Pension System Trust (NPS) and contributed ₹ 0.49 crore (Previous Year ₹ 2.24 crore) to the respective NPS account of the employee.

(ii) **Defined Benefit Plan**

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death.

The existing scheme is funded by the Company and is managed by separate trust established for the purpose. Trust in turn has appointed Life Insurance Corporation of India as Fund Manager. Company is making the payment to Trust equivalent to annual premium demanded by Life Insurance Corporation of India in respect of gratuity coverage to employees, based on the actuarial valuation carried out by them, and charged to revenue ₹ 0.07 crore (Previous Year ₹ 0.04 crore).

(iii) **Other Long Term Employee Benefit Plan**

Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave (EL) is en-cashable while in service. Half-pay leave (HPL) is en-cashable only on separation beyond the age of 50 years up to the maximum of 300 days. However, total number of leave (i.e. EL & HPL combine) that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned scheme is unfunded and liability is recognised in the books of accounts of the company on the basis of actuarial valuation.

Company as on 31st March 2023 has 30 employees on its payroll. Liability of ₹ 2.14 crores (Previous Year ₹ 2.41 crore) in respect of Accrued Leave Salary has been provided in the books of accounts which is based on the actuarial valuation report.

53 Disclosure as per Ind AS 19 'Employee Benefits' - Employees' on secondment from NTPC Limited

Defined Contribution Plan

Pay, allowances, perquisites and other benefits of the employees on secondment from NTPC Limited are governed by the terms and conditions under an agreement with the NTPC Limited. As per the agreement, amount equivalent to a fixed percentage of basic & DA of the seconded employees, i.e. 41.77%, is payable by the company for employee benefits such as provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits.

The employee benefits expenses include ₹ 1.44 crore (Previous Year ₹ 1.27 crore) towards Company's contribution to provident fund paid/payable to the NTPC Limited towards above stated employees.

54 Additional Regulatory Information

i) Title deeds of Immovable Properties not held in name of the Company as at 31 March 2023

₹ Crore

Item category Balance sheet	Description of Item of Property	Gross Carrying Value	Title Deeds Held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land - Freehold	-	NA	NA	NA	NA
Property, plant and equipment	Land - Right of Use	-			NA	
Property, plant and equipment	Building	-	NA		NA	

Title deeds of Immovable Properties not held in name of the Company as at 31 March 2022

₹ Crore

Item category Balance sheet	Description of Item of Property	Gross Carrying Value	Title Deeds Held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land - Freehold	-	NA	NA	NA	NA
Property, plant and equipment	Land - Right of Use	-			NA	
Property, plant and equipment	Building	-	NA		NA	

ii) The company doesnot hold any Invetsment Property in its books of accounts, so fair valuation of investment property is not applicable.

iii) During the year the company has not revalued any of its Property,plant and equipment.

iv) During the year, the company has not revalued any of its Intangible assets.

v) The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

vi) (a) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2023

₹ Crore

Capital-Work-in Progress (CWIP)	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	0.66	-	-	-	0.66
Projects temporarily suspended				-	-

Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2022

₹ Crore

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

vii) (a) Intangible assets under development - Ageing Schedule as at 31 March 2023

₹ Crore

Intangible assets under development	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development - Ageing Schedule as at 31 March 2022

₹ Crore

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.01	-	-	-	0.01
Projects temporarily suspended	-	-	-	-	-

vii) (b) Intangible assets under development - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2023

₹ Crore

Intangible assets under development	**To be completed in**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
	Upto 31 March 2023	**1 April 2023 to 31 March 2024**	**1April 2024 to 31 March 2025**	**Beyond 1 April 2025**	
Project 1	-	-	-	-	-
Project 2	-	-	-	-	-

Intangible assets under development - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2022

₹ Crore

Intangible assets under development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 31 March 2022	1 April 2022 to 31 March 2023	1April 2023 to 31 March 2024	Beyond 1 April 2024	
Project 1	-	-	-	-	-
Project 2	-	-	-	-	-

viii) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act,1988.

ix) (a) The quarterly returns / statement of current assets filed by the company with banks / financial institutions are in agreement with the books of accounts

x) The company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

xi) Relationship with Struck off Companies

₹ Crore

Name of struck off Company	Nature of transactions with struck-off Company	"Balance outstanding as at 31 March 2023"	Balance outstanding as at 31 March 2022	Relationship with the struck off company
D. HARIDAS & COMPANY (CIN:U51909GJ1947PLC000266)	Payables	0.00	0.00	Service Provider
INDIAN HYDRAULIC INDUSTRIES PVT. LTD. (CIN:U29119DL1976PTC008404)	Payables	0.00	0.00	Service Provider
KLEAN LABORATORIES & RESEARCH PVT LTD (CIN:U85195MH2005PTC159586)	Payables	0.01	0.00	Service Provider
Pixel Webtech Private Limited (CIN:U72100DL2006PTC155887)	Payables	*	**	Service Provider

*(C.Y. ₹13,717/- ** P.Y. ₹13,717/-)

xii) The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

xiii) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as per Section 2(45) of the Companies Act,2013.

xiv) Disclosure of Ratios

Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	**0.95**	1.37	(30.73)	Mainily on account of Reduction in cash & trade receivables
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	**0.29**	0.31	(3.49)	Repayment of Debt
Debt service coverage ratio	Profit for the year+Finance costs+ Depreciation and amortiation expenses + Exceptional items	Finance Costs + lease payments + Scheduled principal repayments of long term borrowings	**(0.38)**	1.04	(136.28)	Reduction in EBIDTA
Return on equity ratio	Profit for the year	Average Shareholder's Equity	**(5.49%)**	(6.65%)	(17.51)	Reduction in Losses
Inventory turnover ratio	Revenue from operations	Average Inventory	**3.32**	13.15	(74.75)	Decrease in Revenue from operations
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	**4.67**	12.02	(61.12)	Decrease in Revenue from operations
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	**2.93**	6.77	(56.75)	Reduction in scale of geneartion vis-à-vis fuel cost
Net capital turnover ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	**(19.74)**	9.43	(309.18)	Decrease in Revenue from operations

Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	% Variance	Reason for Variance
Net profit ratio	Profit for the year	Revenue from operations	**(0.36)**	(0.11)	225.98	Decrease in Revenue from operations
Return on capital employed	Earning before interest and taxes	Capital Employed(i)	**(8.79%)**	(10.35%)	(15.06)	-
Return on investment(ii)- Investments in subsidiary and joint venture companies	{MV(T1) – MV(T0) – Sum [C(t1)]}	{MV(T0) + Sum [W(t) * C(t2)]}	**-**	-	-	-
Return on investment(ii)- Investments in others	{MV(T1) – MV(T0) – Sum [C(t1)]}	{MV(T0) + Sum [W(t) * C(t2)]}	**-**	-	-	-

** Denominator is Negative

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

(ii) Return on Investment where

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t1) = Cash inflow, cash outflow on specific date including dividend received

C(t2) = Cash inflow, cash outflow on specific date excluding dividend received

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as [T1 – t] / T1

xv) The scheme of Arrangements approved by competent authority in terms of sections 230 to 237 of the Companies Act,2013 have been accounted for in the books of accounts of the company 'in accordance with the Scheme' and 'in accordance with accounting standards'. (will be disclosed if there are such arrangements)

xvi) The company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

55 Recent Accounting Pronouncements

Standarads/Amendments issued but not yet effective:

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2023. Below is a summary of such amendments.

1. Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies

2. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

3. Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Company has evaluated the above amendments and the impact of the same on the standalone financial statements is not material.

56 As per the Loan Agreement with NTPC Ltd, for Novated Inter Corporate Loan (ICL) – 2, principal repayment shall start from financial year 2034-35 or after full repayment of ICL-1, whichever is earlier as per mutually decided schedule. In case of early repayment of ICL-1 in full, repayment of ICL-2 shall be advanced accordingly. The rate of interest will be mutually decided at the time of start of repayment of ICL-2.

Accordingly, total amount of ₹ 570.19 crores novated and payable under loan agreement ICL-2 has been recognised at present value of ₹ 161.39 crores on 31.12.2020, considering interest rate @10%, in compliance to Ind AS 32 / Ind AS 109. The difference between transaction value and present value of ICL-2 as on transaction date, i.e. 31.12.2020, of ₹ 408.99 crores has been recognised as deemed equity under other reserves with effect from 31.12.2020, i.e. transaction date. Accordingly balance sheet has been reinstated from FY 2020-21.

For and on behalf of the Board of Directors

(Amit Kumar Verma)	**(Pankaj Kumar Jha)**	**(Sanjay Agarwal)**	**(Aditya Dar)**	**(Praveen Saxena)**
Company Secretary	Chief Financial Officer	Chief Executive Officer	Director	Chairman
			DIN - 08079013	DIN - 07944144

As per our report of even date
For Khire Khandekar and Kirlsoksar
Chartered Accountants
FRN - 105148W

(M S Khire)
Partner
Membership No - 136606
UDIN: 23136606BGYMQB8799

Place: Anjanwel
Date: 30.08.2023

Independent Auditors' Report

To the Members of RATNAGIRI GAS AND POWER PRIVATE LIMITED

Report on the Audit of the IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of RATNAGIRI GAS AND POWER PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013, as amended ('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 Companies (Indian Accounting Standard) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including, other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the IND AS financial statements in accordance with the Standards on Auditing (SAS), as 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 IND AS Financial Statements' section of our report. We are Independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IND AS financial statements.

Emphasis of Matter

We draw attention to the following matters in the notes to accounts to IND AS financial statements of the company: -

(a) As per the Loan Agreement with NTPC Ltd, for Novated Inter Corporate Loan (ICL) – 2 of Rs.570.18 crores, principal repayment is to start from financial year 2034-35 or after full repayment of ICL-1, whichever is earlier as per mutually decided schedule. In case of early repayment of ICL-1 in full, repayment of ICL-2 shall be advanced accordingly. The rate of interest will be mutually decided at the time of start of repayment of ICL-2.

As the repayment schedule together with rate of interest of ICL-2 was contingent on satisfactory repayment of ICL-1 to the Lender, the Management of RGPPL earlier was of considered opinion that financial liability under loan agreement (ICL-2) is payable on demand and kept the financial liability as total amount novated and payable under loan agreement.

As per IND-AS 109, Measuring ICL-2 at transaction value of Rs. 570.18 Crore is incorrect. It should rather be fair valued at the initial recognition and accordingly recorded and total amount novated and payable under loan agreement ICL-2 has been now recognised at present value considering interest rate @10%. The difference between transaction value and present value of ICL-2 as on transaction date, i.e. 31.12.2020, has been recognised as deemed equity under other reserves.

This error in estimate of financial liability as per IND AS 109 as on 31.3.2021 at its fair value was discovered during the year 2022-23.

Accordingly, as per requirement of IND AS-8, balance sheet has been reinstated from FY 2020-21. (Refer Note No. 16(b), 17(b))

Due to this error, retained earnings as on 31.03.2021 was understated by Rs. 408.99 crores. This error also affected the borrowing-secured loans which was overstated by Rs. 408.99 crores.

(b) South Western Railway, Central Railway, South Eastern Railway, West Central Railway, North Central Railway and Western Railway are releasing short payments against invoices of RGPPL without providing the reasons and details for the deduction made. The net short payments (after considering the provision for doubtful debt made on 31.03.2023 amounting to Rs. 151.04 Crores of all the railways as on 31st March, 2023) are Rs. 22.88 crore (P.Y. Rs.75.88 crore). The reconciliation with these Railways to ascertain the correctness of the deductions whether they are in accordance with the terms and conditions of the Power Purchase Agreement is pending. The revenue which will have to be forgone after reconciliation is not easily quantifiable.

(c) The company is showing Direct taxes refund due Rs. 27.34 crores (P.Y. 31.88 crores), During the year company has prepared the year wise reconciliation of the said amount. From the said reconciliation it is observed that the refunds due for A Y. 2013-14, 2015-16 are adjusted against the demand for A Y 2012-13. It is informed that the appeal for A Y 2012-13 has been decided in favor of the company, but the order giving effect to same is still pending. For A Y 2014-15, refund is pending as some rectification application is required to be filed. This may result into certain adjustments in the direct tax refundable and provisions as on the date of the financial statement and its consequential impact of increasing the loss in the financial statements (Refer note-8). The amount of impact could not be quantified

(d) PNGRB (Petroleum and Natural Gas Regulatory Board) has revised the gas transportation tariff on gas supplied by GAIL to RGPPL w.e.f. 1-4-2018, without considering the concession provided in the clause 6 of the Minutes of the meeting chaired by the Principal Secretary to the Prime Minister on 4-2-2019 held on the revival of RGPPL. It is said that in no case the variation cost should be loaded to the cost on Railways. RGPPL has not released the said increase in price to GAIL amounting to Rs.43.82crore as on 31-3-2023 but retained as payable pending review for any impact of variations later. (Refer Note No. 22(a)). Further company has provided Liability of Rs 19.86 Crores towards additional cost during Financial year 2021-22.

(e) GAIL has raised bills for Rs. 113.64 crores as Ship or Pay charges payable under GTA dated 16.09.2009. However, RGPPL has sent force majeure notice dated 02.03.2013 and has disputed the said charges. [Refer note no.21 (c)(i)]

(f) Rs. 31.88 crores are outstanding for more than three years under the head trade payable, being the amount payable to various parties on account of VAT set off allowed under MVAT Act. [Refer Note No.21 (c)(ii)]

(g) Recoverable form KLL against CSA (Common Sharing Services). CISF and Chiller is Rs 34.96 Crores (P.Y 40.33 Cores). The said amount is lying due to pending reconciliation with KLL.

(h) The company has postponed the revenue recognition of fixed charges, capacity charges and other charges, amounting to Rs. 318.37 Crore (P. Y. Rs. 81.84 crore), surcharge amounting to Rs. 856.87 crores (P Y. NIL) and recovery of other charges amounting to Rs 0.73 Crore (PY Rs 2.86 Crores) for the year ended March, 2023 due to uncertainty in realization of dues from the beneficiaries even though the issue of declaration of capacity based on RLNG has been decided in favor of company by Central Electricity Regulatory Commission and Appellate Tribunal for electricity. (Refer Note no.48 (b,c,d))

Further the bills raised by the company during the year ended March 31, 2014 for capacity charges, ship or pay charges etc. on beneficiaries amounting to Rs. 323.77 crores were fully provided for in the same financial year in view of uncertainty relating to collectability of dues. (Refer Note no.48(e))

(i) During F Y 2021 the company has filed a claim of Rs.15.86 crore being differential Re-gasification charges recoverable from GAIL (India) Ltd against fuel bills which was wrongly charged by GAIL (India) Ltd in previous years. The management is confident of recovering the same. (Refer Note- 14(b))

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the IND AS financial statements for the financial year ended March 31, 2023, These matters were addressed in the context of our audit of the IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the IND AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the IND AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying IND AS financial statements.

Key audit matters	Auditor's Response
Going concern as described in note 43 of the IND AS financial statements	
The company has a negative net worth of Rs.69.53 crore as on 31/03/2023 after restatement. The company has incurred losses amounting to Rs. 3750.82 crores upto 31.03.2023 (For the year loss of Rs. 179.60crores) In year 2022-23, the company had schedule of only 43 days for supply of power and was run for 49 days only and that too not in full capacity. The company has no fixed schedule or long-term agreement with any entity for supply of power. The only five-year supply contract entered with Railways is expired on 31st March 2022 and there is no long term supply contract in hand. Unprecedented increase in the gas price has made Electricity Generation cost prohibitive and uncompetitive.	Principal Audit Procedures Our audit procedures included the following: We have reviewed the management's assessment regarding Going Concern Status of the company and preparation and presentation of accounts on that basis and concluded that although the company is in heavy losses and lack of orders in hand, if the projections regarding short term supply agreements and other projects are fructified company may come out of troubled waters and at this stage it will be premature to say that company's assertion regarding Going concern Status is unacceptable considering the grounds presented by the management before us, management has declared the said basis in note 43 to financial statements.

“Information Other than the Financial Statements and Auditor’s Report Thereon”

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and shareholder’s information but does not include the IND AS financial statements and our auditor’s report thereon.

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

In connection with our audit of the IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the IND AS 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 IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the IND AS financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the IND AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS 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 IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

- Evaluate the overall presentation, structure and content of the IND AS financial statements, including the disclosures, and whether the IND AS 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the IND AS financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

1. The company has adopted an accounting policy in respect of materiality of prior period items to be accounted for and disclosed in terms of IND AS 8, considering a minimum benchmark of Rs.100 crores for identification of material prior period errors for retrospective restatement and Rs. 10 crores for identification of material prior period errors at transaction level for each line item disclosed in the notes for revenue as well as expenditure level of the entity.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (I I) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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

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

   (d) In our opinion, the aforesaid financial statements comply with the IND AS specified under Section 133 of the Act, read with relevant rules read thereunder;

   (e) The matter described in Emphasis of Matter paragraph above, in our opinion, may have an financial 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;

   With respect to matters to be included in the Auditor's Report in accordance with requirements of section- 197(16) of the Act, as amended:

   The company is a government company, therefore provision of Section-197 are not applicable to the company.

   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 1 1 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 IND AS financial statements — Refer Note 38 a to the IND AS financial statements;

      ii The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts — Refer Note 24 to the IND AS financial statements;

iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by Section-143(5) of the Act and as per directions and sub-directions issued by Comptroller and Auditor General of India, we report that:

S. NO.	Directions/Sub-directions	Auditor's reply on action taken on the directions	Impact on financial statements
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any , may be stated.	Yes, the company was using SAP BI Accounting System for recording accounting transactions.	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	No restructuring of loans during the current financial year.	NIL
3	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	As per information and explanation provided to us there is no fund received/receivable against any specific scheme.	NIL

For KHIRE KHANDEKAR AND KIRLOSKAR
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO.105148W)

(M.S. KHIRE)
Partner
Membership No. 136606
UDIN : 23136606BGYMQB8799

Place: Anjanwel
Date: 30/08/2023

"Annexure A" to the Independent Auditors report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Ratnagiri Gas and Power Pvt. Ltd. on the Financial Statements for the year ended 31 March 2023

i. (a) (A) The records maintained by the company are not showing full particulars, including quantitative details, situation of property, plant & equipment. In numerous cases, location of asset, identification numbers from land records, quantitative details etc. are not mentioned in asset register.

(B) The company has generally maintained proper records showing full particulars of intangible assets

(b) There is regular programme of physical verification of property, plant and equipment over a period of three years, which in our opinion is reasonable having regard to the size of the company and nature of its assets. During the year, physical verification of fixed assets and physical verification of miscellaneous bought out assets was carried out by external firm of chartered accountants. No material discrepancies were noticed on such verification.

(c) Original title documents of the immovable properties were not produced before us for audit. It was informed to us that, original title documents are not traceable. Necessary FIR etc regarding this is not filed with police department. Scanned copies in soft format of the title documents were produced before us for audit. Authenticity of scanned documents of title deed cannot be verified. The title deeds of immovable properties are originally in the name of erstwhile Dabhol Power Company which are transferred to the company as per High court approved consent petition no. 1116 of 2005 dated 25.09.2005.

The details are as follows-

Description of property	Gross carrying value (in crore)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*
Freehold land	0.29	Dabhol Power Co	NA	1994	Held in the name of erstwhile company taken over by the company
Leasehold land (1522.36 acre)	7.64	Dabhol Power Co	NA	1994	

(d) As informed to us, The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Hence this clause is not applicable.

(e) As informed to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence this clause is not applicable.

ii. (a) The inventory of stores has been physically verified by the external firm of charted accountants and other items of inventory were physically verified by the management at reasonable intervals, in our opinion, which is reasonable. No material discrepancies were noticed on such physical verification.

(b) As informed to us, during any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence this clause is not applicable

iii. In respect of unsecured loans, the company has not granted any loans secured or unsecured to companies covered in the register maintained under section 189 of the Companies Act, 2013. Hence, clauses(a) to (f) are not applicable

iv. In our opinion and according to the information and explanations given to us, the Company has not availed any loans/ gurantees and therefore provisions of Section 185 and 186 of the Act, are not applicable. The Company has not given any security/guranteee in respect of which the provisions of section 185 and 186 of the Act are applicable.

v. The Company has not accepted deposits from the public. As such, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company

vi. As informed to us, the cost records has been specified by the central government under sub-section(1) of section 148 of the companies Act, 2013 and such accounts and records have been so made and maintained. However, we are neither required to carry out nor have not made detailed examination of the records with a view to determine whether they are accurate and complete

vii. (a) According to information and explanations given to us and on the basis of our examination of the books of accounts, Undisputed statutory dues including provident fund, income tax, sales tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed statutory dues outstanding as on 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us and on the basis of our examination of the books of accounts, we report that though there are appeals filed against assessment and penalty orders and amount was deposited on account of matters pending before appropriate authorities, year-wise data is not made available by the management

viii. According to information and explanations given to us and on the basis of our examination of the books of accounts, there are no such transactions recorded in the books of account which have not been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence this clause is not applicable.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to its lenders.

(b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.

(d) In our opinion and according to the information and explanations given to us, we report that no funds raised on short term basis have been used for long term purposes by the company

(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence this clause is not applicable.

(f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence this clause is not applicable.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Hence this clause is not applicable

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence this clause is not applicable

xi According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year. As such this clause is not applicable.

Xii The provisions of clause 3 (xii) of the Order, for Nidhi Company, are not applicable to the Company. As such this clause is not applicable.

xiii. In our opinion and according to the information and explanations given to us, The Company has complied with the provisions of Section 188 of the Act w.r.t. transactions with the related parties, wherever applicable. Details of the transactions with the related parties have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards. The company is private company therefore provisions of section-177 of the Companies Act 2013 are not applicable.

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

(b) Based upon the audit procedures performed, the reports of the Internal Auditors for the period under audit were considered by the statutory auditor.

xv. Based upon the audit procedures performed and the information and explanations given by the management, The Company has not entered into any non-cash transactions with the directors or persons connected with them as covered under Section 192 of the Act.

xvi. Based upon the audit procedures performed and the information and explanations given by the management the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Hence this clause is not applicable.

xvii. In our opinion and according to the information and explanations given to us, the company has incurred cash losses of Rs. 83.33 crores in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

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

xx. The Company being in losses for last 3 years, is not required to transfer unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Hence this clause is not applicable.

xxi. The company is not holding company of any subsidiary company. Hence this clause is not applicable.

For KHIRE KHANDEKAR AND KIRLOSKAR
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO.105148W)

(M.S. KHIRE)
Partner
Membership No. 136606
UDIN : 23136606BGYMQB8799

Place: Anjanwel
Date: 30/08/2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of RATNAGIRI GAS AND POWER PRIVATE LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS 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 issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. We believe that to the extent of the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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 financial 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.

Opinion

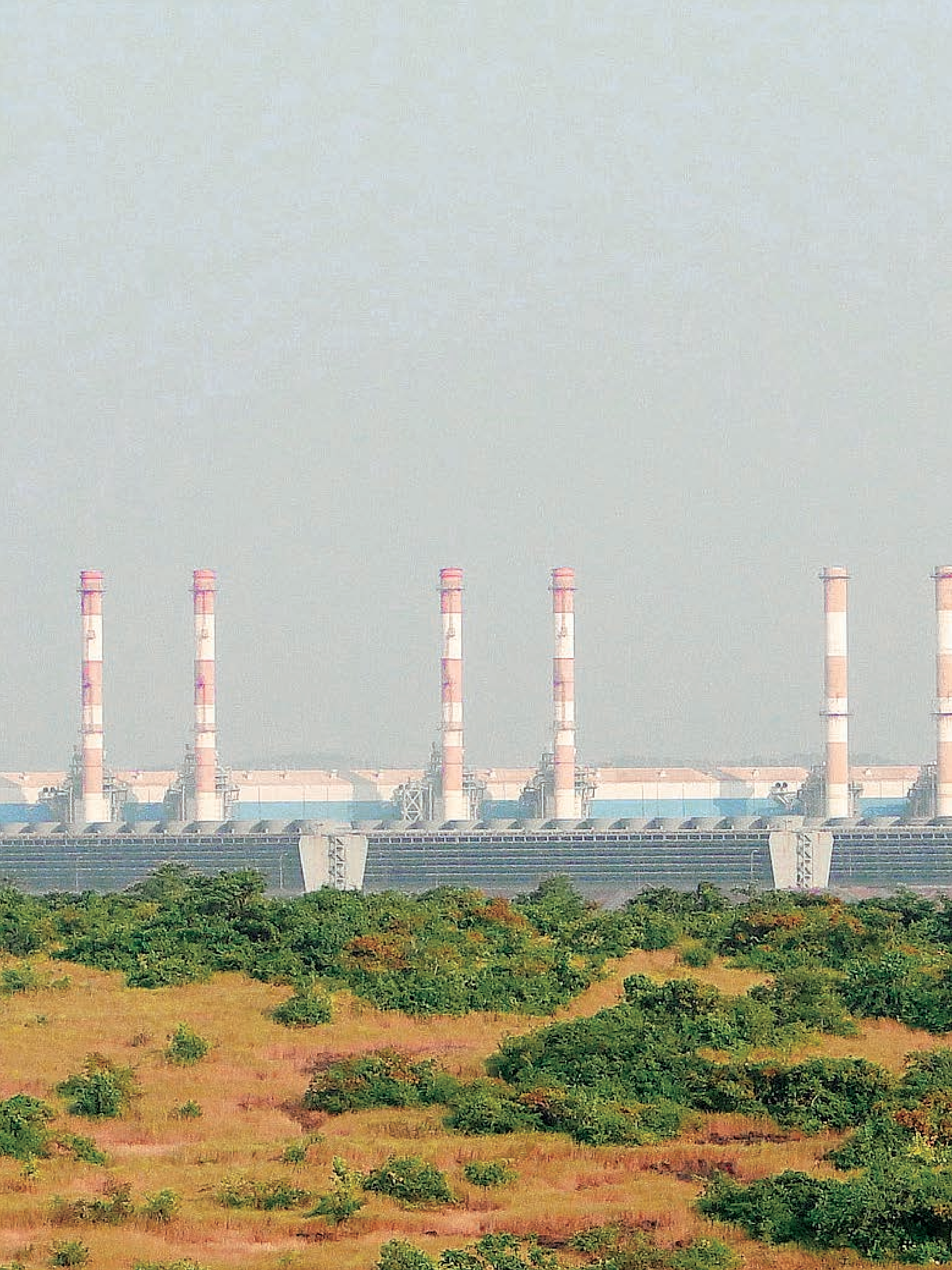
In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants Of India. Company has its own internal mechanism to review the internal controls of the company. To the extent of our verification, we found that internal financial control for the year over financial reporting is adequate.

Our opinion is not modified in respect of aforesaid matter.

For KHIRE KHANDEKAR AND KIRLOSKAR
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO.105148W)

(M.S. KHIRE)
Partner
Membership No. 136606
UDIN : 23136606BGYMQB8799

Place: Anjanwel
Date: 30/08/2023



Ratnagiri Gas and Power Private Limited

(CIN: U40105DL2005PTC138458)

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