FINANCIAL STATEMENTS FOR THE YEAR 2021-22

Ratnagiri Gas & Power Private Limited
NTPC Bhawan, Scope Complex,
7, Institutional Area, Lodhi Road,
NEW DELHI - 110 003

RATNAGIRI GAS & POWER PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2022

₹ in crore

Particulars	Notes	As at 31-03-2022	As at 31-03-2021
ASSETS			
Non Current Assets			
Property, Plant and Equipment	4	828.81	976.73
Capital Work-in-Progress	5	-	25.08
Intangible Assets	6A	0.01	0.17
Intangible Assets under Development	6B	-	0.47
Financial Assets			
Loans	7	0.45	0.29
Other Non Current Assets	8	34.04	33.95
Sub-Total (A)		863.31	1,036.69
Current Assets			
Inventories	9	150.83	146.62
Financial Assets			
Trade Receivables	10	168.67	156.72
Cash and Cash Equivalents	11	120.76	190.86
Bank Balances other than cash and cash equivalents	11	211.96	221.86
Loans	12	0.35	0.23
Other Financial Assets	13	4.28	0.03
Other Current Assets	14	114.38	112.29
Sub-Total (B)		771.23	828.61
Total Assets (A+B)		1,634.54	1,865.30
EQUITY AND LIABILITIES			
EQUITY			
Share Capital	15	3,272.30	3,272.30
Other Equity	16	(3,550.88)	(3,349.65)
Total Equity (C)		(278.58)	(77.35)
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
Borrowings	17	1,335.71	1,388.81
Lease liabilities	17A	-	1.86
Provisions	18	13.43	12.02
Sub-Total (D)		1,349.14	1,402.69
Current Liabilities			
Financial Liabilities			
Borrowings	19	53.10	53.10
Lease liabilities	20	-	0.35
Trade Payables	21		
-Total outstanding dues of micro & small enterprises		0.38	0.69
-Total outstanding dues of creditors other than micro & small enterprises		272.61	252.54
Other Financial Liabilities	22	54.51	55.60
Other Current Liabilities	23	176.67	175.43
Provisions	24	6.71	2.25
Sub-Total (E)		563.98	539.96
Total Equity and Liabilities (C+D+E)		1,634.54	1,865.30
Significant Accounting Policies	3		
Notes forming an integral part of these financial statements	32 to 55		

AMIT KUMAR VERMA (digitally signed) — AJAY SHARMA (digitally signed) — ASIM KUMAR SAMANTA (digitally signed) — Aditya Dar: Digitally signed by Aditya Dar Date: 2022.06.06 17:25:13 +05'30' — PRAVEEN SAXENA: Digitally signed by PRAVEEN SAXENA Date: 2022.06.06 18:22:51 +05'30'

(Amit Kumar Verma)	(Ajay Sharma)	(A K Samanta)	(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

Mandar Shripad Khire — Digitally signed by Mandar Shripad Khire Date: 2022.06.06

(M S Khire)
Partner
Membership No - 136606
UDIN: 22136606AKGLFS3051

Khire Khandekar & Kirloskar Chartered Accountants HO A-3, Lara Resi. Mayur Col, Pune-38. FRN 105148W

RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

Place: Anjanwel
Date: 06th June, 2022

RATNAGIRI GAS & POWER PRIVATE LIMITED
STATEMENT OF FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH 2022

₹ in crore

Particulars	Notes	Year ended 31.03.2022	Year ended 31.03.2021
Income			
I. Revenue from Operations	25	1,955.34	1,098.39
II. Other Income	26	57.64	40.57
III Total Income (I+II)		**2,012.98**	**1,138.96**
Expenses			
Fuel Cost	27	1,312.33	726.93
Energy Purchase	28	413.93	-
Employee benefits expenses	29	25.45	27.46
Finance Cost	30	86.31	79.55
Depreciation and amortization expenses	4,6	29.93	119.65
Other expenses	31	118.10	175.13
Impairment of non-current assets	4,5, 6A, 6B	228.16	134.70
IV. Total Expenses		**2,214.21**	**1,263.42**
V. Profit/(Loss) before tax (III - IV)		**(201.23)**	**(124.46)**
VI. Tax Expenses		-	-
- Current Year		-	-
-Deferred Tax		-	-
VII. Profit/(Loss) for the Period (V-VI)		**(201.23)**	**(124.46)**
Other Comprehensive income			
VIII. Items that maybe 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)		**(201.23)**	**(124.46)**
Earning Per Equity Share (Face Value ₹10/-each)	45		
- Basic		(0.61)	(0.38)
- Diluted		(0.61)	(0.38)
Significant Accounting Policies	3		
Notes forming an integral part of these financial statements	32 to 55		

AMIT KUMAR VERMA (digital signature)
(Amit Kumar Verma)
Company Secretary

AJAY SHARMA Digitally signed by AJAY SHARMA Date: 2022.06.06 11:11:08 +05'30'
(Ajay Sharma)
Chief Financial Officer

ASIM KUMAR SAMANTA (digital signature)
(A K Samanta)
Chief Executive Officer

Aditya Dar Digitally signed by Aditya Dar Date: 2022.06.06 17:30:05 +05'30'
(Aditya Dar)
Director
DIN - 08079013

PRAVEEN SAXENA Digitally signed by PRAVEEN SAXENA
(Praveen Saxena)
Chairman
DIN - 07944144

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

Khire Khandekar & Kirloskar HO A-3, Lara Resi. Mayur Col, Pune-38. FRN 105148W Chartered Accountants

Mandar Shripad Khire Digitally signed by Mandar Shripad Khire Date: 2022.06.06 18:53:05 +05'30'
(M S Khire)
Partner
Membership No - 136606
UDIN: 22136606AKGLFS3051

RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

Place: Anjanwel
Date: 06th June, 2022

RATNAGIRI GAS & POWER PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY

1. Share Capital
(a) Equity Share Capital

₹ Crore

Particulars	Number	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 31 March 2020	3,27,23,02,436	3,272.30
Issue/ (Reduction) of share capital	-	-
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

(b) Preference Share Capital

₹ Crore

Particulars	Number	Amount
0.01% Cumulative Redeemable Preference shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 31 March 2020	73,90,23,698	739.02
Issue of shares	-	-
Redemption of shares	(73,90,23,698)	(739.02)
Balance as at 31 March 2021	-	-
Issue of shares	-	-
Redemption of shares	-	-
Balance as at 31 March 2022	-	-

2. Other Equity

₹ Crore

Particulars	Retained earnings	Self insurance reserve	Total
Balance as at 31 March 2020	**(4,164.21)**	**200.00**	**(3,964.21)**
Add: Profit /(Loss) for the period	(124.46)	-	(124.46)
Other comprehensive income	-	-	-
Total comprehensive income	**(4,288.67)**	**200.00**	**(4,088.67)**
Add: Redemption of 0.01% CRPS	739.02	-	739.02
Balance as at 31 March 2021	**(3,549.65)**	**200.00**	**(3,349.65)**
Add: Profit /(Loss) for the period	(201.23)	-	(201.23)
Other comprehensive income	-	-	-
Total comprehensive income	**(3,750.88)**	**200.00**	**(3,550.88)**
Add: Redemption of 0.01% CRPS		-	-
Balance as at 31 March 2022	**(3,750.88)**	**200.00**	**(3,550.88)**

AMIT KUMAR VERMA
(Amit Kumar Verma)
Company Secretary

AJAY SHARMA Digitally signed by AJAY SHARMA Date: 2022.06.06 11:11:40 +05'30'
(Ajay Sharma)
Chief Financial Officer

ASIM KUMAR SAMANTA
(A K Samanta)
Chief Executive Officer

Aditya Dar Digitally signed by Aditya Dar Date: 2022.06.06 17:31:00 +05'30'
(Aditya Dar)
Director
DIN - 08079013

PRAVEEN SAXENA Digitally signed by PRAVEEN SAXENA Date: 2022.06.06 13:26:20 +05'30'
(Praveen Saxena)
Chairman
DIN - 07944144

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

Mandar Shripad Khire Digitally signed by Mandar Shripad Khire Date: 2022.06.06 18:59:05 +05'30'
(M S Khire)
Partner
Membership No - 136606
UDIN: 22136606AKGLFS3051

Khire Khandekar & Kirloskar HO A-3, Lara Resi. Mayur Col, Pune-38. FRN 105148W Chartered Accountants

RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

Place: Anjanwel
Date: 06th June, 2022

RATNAGIRI GAS & POWER PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2022

₹ Crore

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
A. Cash Flow from Operating Activities		
Profit Before Tax	(201.23)	(124.46)
Adjustments for:		
Depreciation and amortization of property, plant and equipment and intangible assets	29.80	119.23
Depreciation on right of use assets	0.13	0.42
Interest on lease liabilities	0.07	0.21
Actuarial loss on valuation of earned leaves	0.65	0.42
Finance income (including fair value change in financial instruments)	(9.83)	(10.79)
Finance costs	85.17	77.94
Provision for assets & dimunition in stores	-	0.08
Accretion of provision	1.14	1.44
Impairment of assets	228.16	134.70
Cash flow from operating activities before working capital changes	**134.06**	**199.19**
Working capital adjustments:		
Increase / (Decrease) in Current Liabilities:		
Trade Payables	19.76	23.30
Other Financial Liabilities	(1.44)	1.34
Other Current Liabilities	1.24	1.69
Provisions	4.09	23.20
(Increase)/ Decrease in Current Assets:		
Financial Assets - Loans	(0.28)	1.01
Inventories	(4.21)	(4.20)
Trade Receivables	(11.95)	26.54
Other Financial Assets	(4.25)	(6.04)
Other Current Assets	(2.09)	(19.65)
	134.93	**246.38**
Income Tax (Paid)/ Refund	(0.09)	21.93
Net Cash Flows from Operating Activities (A)	**134.84**	**268.31**
B. Cash Flow from Investing Activites		
Purchase / Sale of Property, Plant and Equipment	2.86	(43.96)
Purchase of Intangible Assets	(0.74)	(0.30)
Purchase of CWIP	(86.58)	(10.78)
Interest Received (Finance Income)	9.83	10.79
Net Cash Flows from Investing Activities (B)	**(74.63)**	**(44.26)**
C. Cash Flow from Financing activities		
Interest Paid	(85.17)	(77.94)
Purchase of Fixed Deposits	10.23	(35.34)
Repayment of lease liabilities	(0.41)	(0.47)
Interest on lease liabilities	(0.07)	(0.21)
Purchase of Margin Money	(0.33)	(5.02)
Repayment of Borrowings	(54.55)	(50.49)
Net Cash Flows from Financing Activities (C)	**(130.30)**	**(169.47)**

AMIT KUMAR VERMA	AJAY SHARMA Digitally signed by AJAY SHARMA Date: 2022.06.06	ASIM KUMAR SAMANTA	Aditya Dar Digitally signed by Aditya Dar Date: 2022.06.06 17:26:17 +05'30'	PRAVEEN SAXENA Digitally signed by PRAVEEN SAXENA
(Amit Kumar Verma)	**(Ajay Sharma)**	**(A K Samanta)**	**(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

Mandar Shripad Khire Digitally signed by Mandar Shripad Khire Date: 2022.06.06 18:55:01 +05'30'

(M S Khire)
Partner
Membership No - 136606
UDIN: 22136606AKGLFS3051

Khire Khandekar & Kirloskar HO A-3, Lara Resi. Mayur Col, Pune-38. FRN 105148W Chartered Accountants

RATNAGIRI GAS & POWER PVT. LTD ANJANWEL

Place: Anjanwel
Date: 06th June, 2022

RATNAGIRI GAS & POWER PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2022

₹ Crore

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Net Cash Flows from Operating Activities (A)	134.84	268.31
Net Cash Flows from Investing Activities (B)	(74.63)	(44.26)
Net Cash Flows from Financing Activities (C)	(130.30)	(169.47)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(70.09)	54.58
Cash and Cash Equivalents at the beginning of the year	190.86	136.28
Cash and Cash Equivalents at the end of period	120.76	190.86

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-22	31-Mar-21
Cash and Cash Equivalents (Note 11)	120.76	190.86
Balance as per Statement of Cash Flows	120.76	190.86

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

Particulars	Current borrowings	Non-current borrowings	Interest on borrowings
For the period ended 31 March 2022			
Balance as at 1 April 2021	53.10	1,388.81	
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	-	-	
Balance as at 31 March 2022	53.10	1,335.71	-
For the period ended 31 March 2021			
Balance as at 1 April 2021	125.39	1,366.01	
Loan drawals (in cash) /interest accrued during the year	-	885.00	77.94
Loan repayments/interest payment during the year (in cash)	50.49	885.00	77.94
Others- adjustments for revised repayment schedule	(21.80)	21.80	
Balance as at 31 March 2021	53.10	1,387.81	-

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

AMIT KUMAR VERMA	AJAY SHARMA	ASIM KUMAR SAMANTA	Aditya Dar	PRAVEEN SAXENA
(Amit Kumar Verma)	**(Ajay Sharma)**	**(A K Samanta)**	**(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

Mandar Shripad Khire

(M S Khire)
Partner
Membership No - 136606
UDIN: 22136606AKGLFS3051

Place: Anjanwel
Date: 06th June, 2022

Khire Khandekar & Kirloskar Chartered Accountants A-3, Lara Resi. HO Mayur Col, Pune-38. FRN 105148W

RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

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, Lodi 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 provisions of the Companies Act, 2013 (to the extent notified and applicable) and the provisions of the Electricity Act, 2003 to the extent applicable.

These Financial Statements were authorized for issue by Board of Directors on 03rd June 2022.

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 further in notes to 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 as stated 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 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. 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 measured 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.

Khire Khandekar & Kirloskar Chartered Accountants HO A-3, Lara Resi. Mayur Col. Pune-38. FRN 105148W

RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

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.

Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria.

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 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.

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.

Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria.

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 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

Khandekar & Kirloskar HO

Ratnagiri Gas & Power Pvt. Anjanwel

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 other communication equipments	6 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.

Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized 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 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 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 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 PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

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.

Khire Khandekar & Kirloskar HO A-3, Lara Rest, Mayur Col, Pune-38

RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

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.

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.

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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.

Steel scrap is valued at estimated realizable value.

7. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and 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.

Khire Khandekar & Kirloskar
HO
A-3, Lara Resi,
Mayur Col, Pune-38.
FRN 105148W

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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 any reimbursement.

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.

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 are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss in the year in which it arises.

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.

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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 20 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.

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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.

Voluntary community development expenditure is charged to Statement of Profit & Loss in the year incurred.

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.

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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

The Company adopted Ind AS 116 "Leases" and applied to all lease contracts existing on 1 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount, discounted at the Company's incremental borrowing rate at the date of initial application.

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, 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.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. 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 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, 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 expenses and income tax expenses.

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 and corporate income that are not directly attributable to segments.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and 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 for the year, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, corporate assets and other current 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. Segment liabilities do not include 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 earnings amounts excluding the movements in regulatory deferral account balances.

11. Cash flow statement

Cash flow statement 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 initially at fair value **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**

Equity investments

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'.

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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.

Derecognition

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, 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, trade receivables 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.

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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, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. 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.

Derecognition

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.

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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.

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, income, 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

The estimated useful life of property, plant and equipment 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

The recoverable amount of property, plant and equipment 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.

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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.

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Notes forming part of Financial Statements

Note 4 : Property, Plant and Equipment-Tangible Assets

As at 31 March 2022

₹ in Crore

Description	GROSS BLOCK				DEPRECIATION					Net Block As on 31.03.2022	Net Block As on 31.03.2021
	As on 01.04.2021	Addition During Year	Deduction/ Adjustment	As on 31.03.2022	As on 01.04.2021	Addition During Year	Impairment Loss during the year*	Deduction/ Adjustment	As on 31.03.2022		
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

As at 31 March 2021

₹ in Crore

Description	GROSS BLOCK				DEPRECIATION					Net Block As on 31.03.2021	Net Block As on 31.03.2020
	As on 01.04.2020	Addition During Year	Deduction/ Adjustment	As on 31.03.2021	As on 01.04.2020	Addition During Year	Impairment Loss during the year*	Deduction/ Adjustment	As on 31.03.2021		
Land (Including Development Expenses)											
- Freehold	0.30	-	-	0.30	-	-	-	-	-	0.30	0.30
- Leasehold	7.64	-	-	7.64	4.42	0.31	1.29	-	6.02	1.62	3.22
Roads, bridges, culverts & helipads	1.46	-	-	1.46	1.16	0.02	0.09	-	1.27	0.19	0.30
Building											
Freehold											
- Main plant	228.95	-	-	228.95	194.20	0.97	6.49	-	201.66	27.29	34.75
- Others	44.52	0.61	-	45.13	35.55	0.54	2.70	(0.24)	39.03	6.10	8.97
Leasehold-Own	2.82	-	-	2.82	2.20	0.05	0.07	-	2.32	0.50	0.62
Leasehold-Others (ROU)	3.43	-	0.85	2.58	0.51	0.42	-	0.42	0.51	2.07	2.92
Temporary erection	5.92	0.80	-	6.72	5.56	0.11	0.38	-	6.05	0.67	0.36
Water supply, drainage & sewerage system	84.32	0.33	-	84.65	75.35	0.43	0.24	-	76.02	8.63	8.97
Plant and equipment - Owned@	8,458.94	47.27	-	8,506.21	7,375.82	110.27	109.69	(0.58)	7,596.36	909.85	1,083.12
Furniture and fixtures	3.59	0.37	0.00	3.96	2.37	0.12	0.66	0.00	3.15	0.81	1.22
Vehicles including Ambulance - Owned	0.65	0.25	-	0.90	0.58	0.01	0.13	-	0.72	0.18	0.07
Other Office equipment	3.29	0.16	-	3.45	2.28	0.15	0.42	-	2.85	0.60	1.01
EDP, WP machines and satcom equipment	4.54	0.26	0.02	4.78	3.04	0.39	0.65	0.01	4.07	0.71	1.50
Electrical installations and equipments	381.35	1.31	-	382.66	326.94	5.21	7.28	(0.12)	339.55	43.11	54.41
Communication equipments	1.40	0.08	-	1.48	1.16	0.04	0.06	-	1.26	0.22	0.24
Hospital equipments	0.16	-	-	0.16	0.13	0.01	0.01	-	0.15	0.01	0.03
Laboratory and workshop equipments	30.76	0.52	-	31.28	26.15	0.35	0.98	-	27.48	3.80	4.61
Retired assets/ Unserviceable	0.21	-	-	0.21	-	-	-	-	-	0.21	0.21
Sub Total	9,264.25	51.96	0.87	9,315.34	8,057.42	119.40	131.14	(0.51)	8,308.47	1,006.88	1,206.83
Less: Provision @	139.34	-	-	139.34	109.19	-	-	-	109.19	30.15	30.15
Total	9,124.91	51.96	0.87	9,176.00	7,948.23	119.40	131.14	(0.51)	8,199.28	976.73	1,176.68

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Notes forming part of Financial Statements

*- The Company has carried out the impairment study of its assets during the year through independent expert (Refer Note 44)

@ 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 & 22) -

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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Disposal of assets	0.01	0.02	-	0.01
Others	2.59	0.85	(0.82)	0.42
	2.60	0.87	(0.82)	0.44

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 31.03.2022		For the year ended 31.03.2021	
	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

	31.03.2022	31.03.2021
Roads, bridges, culverts & helipads	0.09	0.09
Building Freehold Main Plant	127.32	127.32
Building Freehold Others	5.92	5.70
Temporary erection	5.90	5.90
Water supply, drainage & sewerage system	83.32	83.32
Plant and equipment - Owned@	7,969.78	7,795.95
Furniture and fixtures	2.48	1.73
Vehicles including Ambulance - Owned	0.65	0.65
Other Office equipment	2.40	2.09
EDP, WP machines and satcom equipment	3.54	2.85
Electrical installations and equipments	359.34	326.60
Communication equipments	1.24	1.23
Hospital equipments	0.15	0.03
Laboratory and workshop equipments	5.17	1.20
	8,567.28	8,354.66

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Notes forming part of Financial Statements

Note 5 : Capital Work in Progress as at 31 March 2022

₹ in 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	85.60	(1.45)	18.23	93.90	-

Capital Work in Progress as at 31 March 2021

₹ in Crore

Description	As on 01.04.2020	Addition During Year	Deduction/Adjustment	Impairment Loss during the year	Capitalised during the Year	Closing As on 31.03.2021
Buildings	20.80	2.52	2.83	1.90	4.10	14.49
Plant & Machinery	7.69	7.51	(0.12)	1.32	3.90	10.10
Roads Bridges & Culverts	0.03	0.55	0.03	0.06	-	0.49
TOTAL	28.52	10.58	2.74	3.28	8.00	25.08

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 17 & 22)
b) Details of exchange differences and borrowing costs capitalised are disclosed in Note 4 (d)

Note 6A : Intangible Assets as at 31 March 2022

₹ in Crore

Description	GROSS BLOCK				DEPRECIATION						
	As on 01.04.2021	Addition During Year	Deduction/ Adjustment	As on 31.03.2022	As on 01.04.2021	Addition During Year	Impairment Loss during the year	Deduction/ Adjustment	As on 31.03.2022	Net Block As on 31.03.2022	Net Block 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

Intangible Assets as at 31 March 2021

₹ in Crore

Description	GROSS BLOCK				DEPRECIATION						
	As on 01.04.2020	Addition During Year	Deduction/ Adjustment	As on 31.03.2021	As on 01.04.2020	Addition During Year	Impairment Loss during the year	Deduction/ Adjustment	As on 31.03.2021	Net Block As on 31.03.2021	Net Block As on 31.03.2020
Software	1.81	0.10	-	1.91	1.27	0.25	0.22	-	1.74	0.17	0.54
TOTAL	1.81	0.10	-	1.91	1.27	0.25	0.22	-	1.74	0.17	0.54

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 17 & 22)
b) Gross carrying amount of the fully amortized intangible assets that are still in use:

₹crore

	31.03.2022	31.03.2021
Software	1.86	1.19
	1.86	1.19

Note 6B : Intangible Assets under Development as at 31 March 2022

₹ in 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	-	-	-

Intangible Assets under Development as at 31 March 2021

₹ in Crore

Description	As on 01.04.2020	Addition During Year	Deduction/Adjustment	Impairment Loss during the year	Capitalised during the Year	Closing As on 31.03.2021
Software	0.33	0.20	-	0.06	-	0.47
TOTAL	0.33	0.20	-	0.06	-	0.47

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Notes forming part of Financial Statements

Note 7 - Non Current Financial Assets - Loans ₹ Crore

As At	31-Mar-22	31-Mar-21
Loans (Considered Good, Unless otherwise stated)@		
Employees (including interest accrued)		
Secured	0.14	0.11
Unsecured	0.31	0.18
Total	**0.45**	**0.29**

@ Loans given to employees have been recognised at book value in view ol insignilicant amount

Directors	-	-
Officers	0.02	0.05

Note 8 - Other Non - Current Assets ₹ Crore

As At	31-Mar-22	31-Mar-21
Security deposits (Considered good unless otherwise stated)	2.16	2.25
Advance tax and Tax Deducted at Source	31.88	31.70
Less: Provision lor Tax	-	-
Total	**34.04**	**33.95**

Note 9 - Inventories ₹ Crore

As At	31-Mar-22	31-Mar-21
Stores and spares	145.02	148.44
Others	6.96	5.72
Less: Provision for Losses/Obsolescence*	(1.15)	(7.54)
Total	**150.83**	**146.62**

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 17 & 22)
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 38 for information on inventories consumed and recognised as expense during the year.
* Includes provision of ₹ NIL crore (P.Y. ₹6.42 crore) towards dimunition in value of Distillate based on realisable value

Note 10 Trade receivables ₹ Crore

As At	31-Mar-22	31-Mar-21
Other than related parties		
- Considered good, Secured	-	-
- Considered good, Unsecured	81.01	84.25
-Unbilled revenue	87.66	72.47
-Receivables credit impaired	392.54	392.54
Less: Allowances for bad & doubtful debts	(392.54)	(392.54)
Total	**168.67**	**156.72**

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 17 & 22)

b) Amounts receivable from related parties are disclosed in Note No 39

c) Railways has not honored and paid dues relating to take or pay and associated surcharge since 1st April, 2017. Considering the non-payment and uncertainty in realisation of the said dues from Railways, a provision of ₹ 68.76 crore has been made during the previous year.

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Note 11 - Cash and Bank balances ₹ Crore

As At	31-Mar-22	31-Mar-21
Cash & cash equivalents:		
Balances with banks:		
- Current accounts	4.33	7.94
- Deposits with original maturity less than three months (incl. interest accrued)	116.43	182.92
(A)	120.76	190.86
Other bank balances:		
Deposits with original maturity of more than 3 months but less than 12 months (incl. interest accrued)	97.26	107.49
Margin against Letter of Credit	93.67	93.34
Margin against Bank Guarantee	21.03	21.03
(B)	211.96	221.86
Total (A+B)	332.72	412.72

a) 100% Margin against Letter of credit is deposited with State Bank of India, New Delhi.
b) Margin of ₹ 20.67 crore (Previous Year ₹ 20.69 crore) is with IDBI Bank Limited, Mumbai, for furnishing Bank Guarantee of ₹ 80 crore (Previous Year ₹ 80 crore) to Customs Department
c) Margin of ₹ 0.36 crore, (Previous Year ₹ 0.34 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-22	31-Mar-21
Loans		
(Considered good, unless otherwise stated)		
Employees (including interest accrued)		
Secured	0.05	0.03
Unsecured	0.30	0.20
Total	0.35	0.23
Due from directors and officers of the Company		
Directors	-	-
Officers	0.02	0.01

Note 13 - Other Current Financial Assets ₹ Crore

As At	31-Mar-22	31-Mar-21
Security deposits With Court	4.28	0.03
Total	4.28	0.03

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ANJANWEL

Note 14 - Other Current Assets

₹ Crore

As At	31-Mar-22	31-Mar-21
Claims recoverables		
Unsecured considered good*	75.18	88.32
Considered doubtful	10.59	0.07
Less: Allowance for bad and doubtful debts	(10.59)	(0.07)
Others		
Unsecured **	39.20	23.97
Total	114.38	112.29

* Includes the following:

a) Includes ₹ 32.27 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 ₹25.69 crore (P.Y. ₹28.30 crore)recoverable from Konkan LNG Ltd on account of sharing of common services & CISF

** includes the following:

a) Includes ₹ 14.64 crore (P.Y. ₹7.72 crore) accrreued income from Konkan LNG Limited on account of sharing of common services &

b) Includes ₹ 14.25 crore (P.Y. ₹ NIL) recoverable from NTPC Vidyut Vyapar Nigam Limited on account of compensation under energy purcahse agreement

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RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

Notes forming part of Financial Statements

Note 10 Trade receivables (Contd.........)

d) 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 months	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**

e) Trade Receivables ageing schedule as at 31 March 2021

₹ Crore

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	72.47	-	13.53	16.41	29.43	24.88	0.00	156.72
(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	-	-	-	-	-	16.83	375.71	392.54
Sub Total	**72.47**	-	**13.53**	**16.41**	**29.43**	**41.71**	**375.71**	**549.26**
Less: Allowances for bad & doubtful debts	-	-	-	-	-	16.83	375.71	392.54
Total	**72.47**	-	**13.53**	**16.41**	**29.43**	**24.88**	**0.00**	**156.72**

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RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

Note 15 - Share capital

As At	31-Mar-22	₹ Crore 31-Mar-21
Share capital		
Authorised		
600,00,00,000 Ordinary shares of par value of ₹10/- each (600,00,00,000 Ordinary shares of par value ₹ 10/- each as at 31st March, 2021)	6,000.00	6,000.00
400,00,00,000 Cumulative Redeemable Preference shares of par value of ₹10/- each (400,00,00,000 Cumulative Redeemable Preference shares of par value of ₹10/- each as at 31st March, 2021)	4,000.00	4,000.00
	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 (327,23,02,436 Ordinary equity shares of par value ₹ 10/- each as at 31st March, 2021)	3,272.30	3,272.30
	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 31st March 2022		As at 31st March 2021	
	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 31st March 2022		As at 31st March 2021	
	% 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

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Notes forming part of Financial Statements

Note 16 - Other equity

₹ Crore

As At		31-Mar-22	31-Mar-21
Other equity:			
Retained earnings			
As per last financial statements		(3,549.65)	(4,164.21)
Add: Redemption of 0.01% Cumulative Redeemable Preference Shares		-	739.02
Add: Profit/ (loss) for the year		(201.23)	(124.46)
Less: Transferred to self insurance reserve		-	-
	Sub-Total (a)	(3,750.88)	(3,549.65)
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
	Total (a+b)	(3,550.88)	(3,349.65)

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

Note 17 - Borrowings

₹ Crore

As At		31-Mar-22	31-Mar-21
Term loans - Secured			
From Others (Rupee Term Loan):			
NTPC Ltd - Inter Corporate Loan (ICL) - 1		765.52	818.63
NTPC Ltd - Inter Corporate Loan (ICL) - 2		570.19	570.19
	Total	**1,335.71**	**1,388.81**

a) The Term Loan from NTPC Ltd - ICL-1 is repayable in 48 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.

As the repayment schedule together with rate of interest of ICL-2 is contingent on satisfactory repayment of ICL-1 to the Lender, the Management is 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.

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 17 (A) - Lease Liabilities

₹ Crore

As At		31-Mar-22	31-Mar-21
Lease Liabilities		-	1.86
	Total	-	1.86

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RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

Notes forming part of Financial Statements

Note 18 - Non Current Provisions

₹ Crore

As At		31-Mar-22	31-Mar-21
Provision for others #			
As per Last Balance Sheet		12.02	10.73
Add: Additions/Adjustments during the year		1.41	1.29
Less: Amount paid/Adjustments during the year		-	-
	Total	13.43	12.02

- 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-22	31-Mar-21
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-22	31-Mar-21
Lease Liabilities		-	0.35
	Total	-	0.35

Note 21 - Trade Payables

₹ Crore

As At		31-Mar-22	31-Mar-21
For goods and services			
Total outstanding dues of			
- micro and small enterprises		0.38	0.69
- creditors other than micro and small enterprises		272.61	252.54
	Total	272.99	253.23

a) Disclosure as reqired under Companies Act, 2013/ Micro, Small and Medium enterprises as required by MSMED Act, 2006: Refer Note No. 43

b) Amounts payable to related parties are disclosed in Note 39

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Notes forming part of Financial Statements

Note 22 - Other Current Financial Liabilities ₹ Crore

As At		31-Mar-22	31-Mar-21
Deposits/Retention Money from Customers/contractors/others@		51.78	52.63
Payable for capital expenditure		0.81	0.14
Expenses payable and other liabilities		1.92	2.83
	Total	**54.51**	**55.60**

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. 43

Note 23 - Other Current Liabilities ₹ Crore

As At		31-Mar-22	31-Mar-21
Statutory dues		4.85	3.56
Advances - Customers		171.82	171.58
- Others		-	0.29
	Total	**176.67**	**175.43**

Note 24 - Current Provisions ₹ Crore

As At		31-Mar-22	31-Mar-21
Provision for employee benefits			
As per Last Balance Sheet		2.13	1.85
Add: Additions/Adjustments during the year		0.65	0.42
Less: Amount paid during the year		(0.37)	0.14
	Sub-Total	2.41	2.13
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
Provision for Transmission charges			
As per Last Balance Sheet		-	-
Add: Additions/Adjustments during the year		4.18	-
Less: Adjustments during the year		-	-
	Sub-Total	4.18	-
	Total	**6.71**	**2.25**

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Notes forming part of Financial Statements

Note 21 - Trade Payables (contd.....)

c) Trade Payables ageing schedule as at 31 March 2022

₹ Crore

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(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 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.31.87 crore is payable to beneficiaries towards VAT set off of past period

ii) Rs.3.29 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 2021

₹ Crore

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	0.69	-	-	-	0.69
(ii) Others	-	-	100.02	0.10	0.09	-	100.21
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	152.34	152.34
Total	-	-	100.71	0.10	0.09	152.34	253.23

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.38.69 crore is payable to beneficiaries towards VAT set off of past period

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RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

Notes forming part of Financial Statements

Note : 25 Revenue from Operations ₹ Crore

For the Year ended		31-Mar-22	31-Mar-21
Energy sales		2,378.45	1,428.58
Less: Transmission Charges		423.11	330.18
	Total	**1,955.34**	**1,098.39**

With the imposition of nationwide lockdown to prevent widespread of Covid-19, Railways invoked the Force Majeure clause as per the terms of PPA citing closure of passenger railway services with effect from 23rd March, 2020. RGPPL has continued billing to Railways for contracted quantity as per the PPA. However, Railways has made payment only for actual energy scheduled by it. Considering the non-payment by Railways and uncertainty in realisation, revenue in the books for the current year has been recognised based on the actual schedule provided by the Railways in accordance to IND AS 115.

Note : 26 Other Income ₹ Crore

For the Year ended		31-Mar-22	31-Mar-21
Interest income from:			
- Loan to employees (C.Y. ₹40,078/-)		-	0.00
- Term deposit - Banks		9.83	10.79
- Others (Unwinding of Lease)		0.13	0.86
Other non-operating income:			
- Sale of scrap		1.68	0.45
-Miscellanoeus income*		46.00	28.47
- Profit on disposal of PPE (₹C.Y. 13,574/-)		-	-
	Total	**57.64**	**40.57**

* It includes ₹17.37 crore (P.Y. ₹ 19.11 crore) against invoices raised to Konkan LNG Ltd i.r.o. Common Sharing Expenses

Note : 27 Fuel Cost ₹ Crore

For the Year ended		31-Mar-22	31-Mar-21
Fuel consumed		1,312.33	726.93
	Total	**1,312.33**	**726.93**

Note : 28 Energy Purchased ₹ Crore

For the Year ended		30-Sep-21	31-Mar-21
Cost of Energy Purchase		413.93	-
	Total	**413.93**	-

Note : 29 Employee Benefit expense ₹ Crore

For the Year ended		31-Mar-22	31-Mar-21
Salaries and wages		18.35	22.46
Contribution to provident and other funds		4.11	1.96
Staff welfare expenses		2.99	3.04
	Total	**25.45**	**27.46**

Disclosure required by Ind AS 19 in respect of provision made towards various employees benefits : Refer Note No. 48.
Payments made to Key Managerial Persons have been disclosed at Note No . 39

Note : 30 Finance Costs ₹ Crore

For the Year ended		31-Mar-22	31-Mar-21
Interest on rupee term loans		85.17	77.94
Others		-	0.17
Accretion of provision		1.14	1.44
	Total	**86.31**	**79.55**

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Note : 31 Other Expenses

₹ Crore

For the Year ended		31-Mar-22		31-Mar-21
Power charges	1.78		1.16	
Less: Recovered from contractors & employees	(0.02)	1.76	(0.01)	1.15
Stores consumed		0.71		0.75
Rent		0.07		0.06
Water Charges		-		0.27
Repairs & maintenance:				
-Buildings	7.90		8.44	
-Plant & machinery	45.28		44.32	
-Others	0.69	53.87	0.64	53.40
Insurance		14.78		14.15
Rates and taxes		3.37		5.02
Brokerage & Commission		0.05		-
Training & recruitment expenses (C.Y. ₹ 11,590/-)		-		-
Communication expenses		0.52		0.68
Travelling expenses		0.96		0.95
Payment to auditors (refer details below)		0.11		0.13
Advertisement and publicity (P.Y. ₹5,000/-)		0.01		0.09
Security expenses		23.89		23.11
Entertainment expenses		0.21		0.18
Expenses for guest house	1.71		1.76	
Less : Recoveries	(0.23)	1.48	(0.54)	1.22
Directors sitting fee (C.Y. ₹15,000/- ; P.Y. ₹30,400/-)		-		-
Professional charges and consultancy fees		1.56		2.95
Legal expenses		1.04		0.01
EDP hire and other charges		0.14		0.21
Printing and stationery		0.06		0.05
Hiring of vehicles		1.04		0.72
Net Loss/(Gain) in foreign currency transactions & translations		0.58		(0.11)
Miscellaneous expenses		1.16		1.31
Loss on disposal/write-off of fixed assets		0.08		-
Provision for shortages in Fixed Assets (P.Y. ₹ 25,754/-)		-		-
Provision for obsolescence on Stores		0.13		0.07
Provision for Doubtful Debts		10.52		68.76
Total		118.10		175.13

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	-	0.01
	0.11	0.13

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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 fixed assets, 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 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 suppose 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, 2022 is ₹ 10.43 crore (March 31, 2021 ₹ 9.35 crore).

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

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

Particulars	2021-22	2020-21
Fuel	0.58	1.30
Others	17.30	10.27
Total	17.88	11.57

39 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 (w.e.f. 24.04.2021)
Shri Aditya Agarwal	Company Secretary (from 01.04.2021 to 31.10.2021)
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
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 ₹ 1.26 crore (Previous Year ₹ 0.80 crore) and amount of dues outstanding to the company as on 31st March 2022 are Nil (Previous Year - Nil)

₹ in Crore

Remuneration to KMP & Directors	Current Year	Previous Year
Shri Asim Kumar Samanta	0.58	0.18
Shri D Paul	-	0.13
Shri Ajay Sharma	0.57	0.39
Shri Aditya Agarwal	0.11	0.10
Shri Bhaskar Niyogi - * -₹ 15,000/- (Sitting Fee)	-	-*

ii)Transactions with post employment benefit plans:

₹ in Crore

Name of the company / Person	Nature of transaction	Current Year	Previous Year
RGPPL Employees Gratuity Fund Trust	Insurance Premium	0.04	0.17

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iii)Transactions with related parties are as follows:

₹ in Crore

Name of the company / Person	Nature of transaction	Current Year	Previous Year
NTPC Limited	Corporate Loan	-	1,455.19
	Interest on corporate loan	85.17	-
	Other services	0.07	0.03
NTPC Vidyut Vyapaar Nigam Limited	Intermediary for Sale of power	6.81	1.50
	Sale of power	68.01	10.21
	Energy Purchase	413.93	-
	Corridor Charges	26.31	-
Utility Powertech Limited (UPL)	Contract for works/services received by the company	27.44	32.66

c) Outstanding balances with related parties are as follows:

₹ in Crore

Particulars	Current Year	Previous Year
Amount recoverable		
- From NTPC Vidyut Vyapaar Nigam Limited	11.33	6.51
Amount payable		
- To NTPC Limited	1,389.39	1,443.41
- To Utility Powertech Limited	2.61	4.28
- To NTPC Vidyut Vyapaar Nigam Limited -₹ 26,800/-	-	0.96

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

₹ in Crore

Name of the company / Person	Nature of transaction	Current Year	Previous Year
GAIL (India)Limited	Purchase of Fuel	1,312.33	726.93
Power System Operations Corporation Ltd	Other Payments	50.91	83.41
Hindustan Petroleum Corporation Ltd	Purchase of Oil Products	0.79	1.39
The Oriental Insurance Company Ltd	Insurance	14.88	14.15
Central Railways Maharashtra	Sale of Energy	897.15	469.80
Western Railways Gujarat		346.45	218.67
West Central Railways Madhya Pradesh		366.29	250.92
South Eastern Railways Jharkhand		288.44	165.93
South Western Railways Karnataka		131.54	80.46
North Central Railways Uttar Pradesh		221.43	186.96

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, 2022 and March 31, 2021, 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.

40 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".

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41 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 ₹ crore

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Opening Balance	2.07	2.92
- Additions in ROU Assets	-	-
- Depreciation charged during the year	0.13	0.42
- Adjustments due to closure of contracts	1.94	0.43
Closing Balance	-	2.07

(i) The following are the carrying amounts of lease liabilities recognised and the movements during the period ₹ crore

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Opening Balance	2.21	2.96
- Additions in lease liabilities	-	-
- Interest cost during the year	0.07	0.21
- Payment of lease liabilities	0.41	0.47
- Adjustments due to closure of contracts	1.87	0.49
Closing Balance	0.00	2.21
Current	-	0.35
Non Current	0.00	1.86

(ii) Maturity Analysis of the lease liabilities: ₹ crore

Contractual undiscounted cash flows	As at 31st March 2022	As at 31st March 2021
3 months or less	-	0.08
3-12 Months	-	0.27
1-2 Years	-	0.37
2-5 Years	-	1.22
More than 5 Years	-	1.03
Lease liabilities as at closing of the year	-	2.97

(iii) The following are the amounts recognised in profit or loss: ₹ crore

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Depreciation expense for right-of-use assets	0.13	0.42
Interest expense on lease liabilities	0.07	0.21

(iv) The following are the amounts disclosed in the cash flow statement: ₹ crore

Particulars	For 31st March 2022	For 31st March 2021
Cash Outlow from leases	0.41	0.47

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42 Going concern

In view of non-recovery of capacity charges from beneficiaries as stated in Note No. 46 and under-utilization of power generation capacity, the company has incurred losses amounting to ₹ 3,550.88 crore up to March 31, 2022 (for the year Loss ₹ 201.23 crore) and the net worth of the company as on March 31, 2022 stands as negative ₹ 278.58 crore. Company has also provided impairment loss of ₹ 2,825.33 crore (for the year ₹ 228.16 crore) upto March 31, 2022 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:

Long-term Power Purchase Agreement (PPA) with Indian Railways for supply of 500 MW power for the period of 5 years w.e.f.01.04.2017 has ended on 31.03.2022. Unprecedented increase in price of gas at international level has made the electricity generation uncompetitive at present. Company is hopeful to continue its operations even after the ending of tenure of the PPA with Indian Railways and is under active discussions with other potential buyers, under two-part tariff ensuring 100% recovery of fixed cost, to substantiate to the clean and green energy drive of Government of India.

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

a. As per the planned expansion at different refinery location, power from IOCL plant would be required in future, MoU between NTPC & IOCL has been signed on 12.11.2021 for supply of 600 MW or more RE-RTC power in bundled with gas /hydel power by forming Joint Venture Company or joint investment in an existing SPV. Further, the process of evaluation and exploring the participation in a strategic alliance for development and supply of Round the Clock ('RTC") power through blending of gas-based power of RGPPL with renewable energy (with or without storage) to participate in RTC bid process and/or supply to commercial and industrial consumers is under process.

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 at tech minimum, i.e. 200 MW.

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

d. Unprecedented increase in oil and gas prices should be temporary phase arisen due to global political uncertainty.

In addition to the above, Company is also supplying 10 MW power to Konkan LNG Ltd in accordance with the MoU.

43 Information in respect of Micro, Small and Medium Enterprises as at 31st March 2022 as required by Micro, Small and Medium Enterprises Development Act, 2006

₹ Crore

	Particulars	31st March 2022	31st March 2021
a)	Amount remaining unpaid to any supplier		
	Principal amount	0.38	0.69
	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.

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

Deferred Tax Assets/Liability has not been accounted for as company has a tax holiday for the period of ten years upto 31st March 2022.

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

Based on the impairment study, the Company has provided Impairment Loss of ₹ 228.16 crore (P.Y. ₹ 134.70) 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 higher of Value in Use under Income Approach and Fair Value Less Cost of Disposal for impairment study. Value in Use represents the operating value of the Company basis on current operations and PPA terms. Fair Value less cost of disposal of PPE has been calculated based on depreciated replacement cost approach adjusted for cost of disposal.

Discounted Cash Flow Income approach for impairment study. The post-tax discount rates used for the future cash flows is 18.00 %. The differential discount rate is based on the effective tax rates likely to be applicable during the forecast years.

Salvage value of fixed assets and release of net working capital at the end of explicit period has been added to the present value of free cash flows to arrive at the enterprise value.

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46 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 2022	31 March 2021
Profit/ (Loss) attributable to Equity Shareholders (in ₹)	(2,01,23,00,000)	(1,24,46,48,501)
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	(0.61)	(0.38)

Diluted	31 March 2022	31 March 2021
Profit/ (Loss) attributable to Equity Shareholders (in ₹)	(2,01,23,00,000)	(1,24,46,48,501)
Weighted average number of equity shares in calculating diluted EPS	3,27,23,02,436	327,23,02,436
Total no. of shares outstanding (including dilution)	3,27,23,02,436	327,23,02,436
Diluted earnings (loss) per equity share	(0.61)	(0.38)

47 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. 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 22).

(b) In view of non-payment of dues by beneficiaries and uncertainty in collection, company has not considered bills raised for ₹ 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 ₹ 81.84crore (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 ₹ NIL (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.

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(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-22	31-Mar-21
Revenue by Contract Type		
Reconciliation of revenue recongnised:		
Contract Price	1,955.44	1,098.78
Adjustments for:		
Rebates	(0.10)	(0.39)
Total revenue from contracts with customers	**1,955.34**	**1,098.39**
Geographical Markets:		
In India	1,955.34	1,098.39
Total revenue from contracts with customers	**1,955.34**	**1,098.39**
Timing of revenue recognition:		
Services transferred over time	1,955.34	1,098.39
Total revenue from contracts with customers	**1,955.34**	**1,098.39**

2) Contract balances

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

₹ in Crore

	31-Mar-22	31-Mar-21
Trade receivables (Net)*	81.01	84.25
Contract liabilities		
Advances from customers	171.82	171.58
Contract assets		
Unbilled revenue	87.66	72.47

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

₹ in Crore

3) Changes in contract liabilities	31-Mar-22	31-Mar-21
Balance at the beginning of the year	171.82	171.58
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	171.82	171.82

For details Refer Note No 47

₹ in Crore

4) Changes in contract assets	31-Mar-22	31-Mar-21
Balance at the beginning of the year	72.47	101.90
Revenue recognised during the year	87.66	72.47
Invoices raised during the year	72.47	101.90
Translation exchange during the year	-	-
Balance at the end of the year	**87.66**	**72.47**

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48 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 2022 and 31st March 2021; 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-22	31-Mar-21
Financial Liabilities in USD		
Non Current Provisions	13.43	12.02
Retention from Contractors	5.46	5.30
Trade Payables & Other financial liabilities	2.03	4.50
Total	**20.92**	**21.82**

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-22	31-Mar-21
Fixed-rate borrowings	-	-
Floating-rate borrowings	-	-
Total	-	-

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(ii) Maturities of Financing Liabilities

The contractual maturities of the Company's financial liabilities are presented below:

₹ 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	1,112.70	**1,388.82**
Borrowings Interest	-	20.41	59.46	282.87	205.42	**568.16**
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**	**33.68**	**99.29**	**505.89**	**1,318.12**	**2,284.48**

₹ Crore

As at 31 March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings Principal	-	13.27	39.83	217.71	1,171.10	**1,441.91**
Borrowings Interest	-	21.79	63.39	287.43	262.99	**635.60**
Expenses Payables	2.83	-	-	-	-	**2.83**
Payable for Capital Expenditure	0.14	-	-	-	-	**0.14**
Deposits from Customers	52.63	-	-	-	-	**52.63**
Trade payables	253.23	-	-	-	-	**253.23**
Total	**308.83**	**35.06**	**103.22**	**505.14**	**1,434.09**	**2,386.34**

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 2022 and for the comparative year ended 31st March 2021.

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 ₹ 120.76 crore as at 31st March 2022 (31st March 2021: ₹ 190.86 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.

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(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-22	31-Mar-21
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current loans	0.45	0.29
Other non-current assets	34.04	33.95
Cash and cash equivalents	120.76	190.86
Bank balances other than cash and cash equivalents	211.96	221.86
Current loans	0.35	0.23
Other current financial assets	4.28	0.03
Other current assets	114.38	112.29
Total (A)	**486.22**	**559.51**
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	81.01	84.25
Unbilled revenue	87.66	72.47
Total (B)	**168.67**	**156.72**
Total (A+B)	**654.89**	**716.23**

(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 2022	-	30.09	14.89	17.17	0.32	66.45	128.92
Gross carrying amount as at 31st March 2021	-	10.89	0.06	0.65	-	72.65	84.25

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.

49 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

50 Events occurring after the reporting period

There are no events occurring after the reporting period which have material impact on the financials.

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51 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 ₹ 0.55 crores excluding ₹ 1.27 crores pertaining to employees of promoter companies (Previous Year ₹ 0.98 crore excluding ₹ 1.41 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 during the year, effective from 01.01.2007, through National Pension System Trust (NPS) and contributed ₹ 2.24 crore during the year 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 ₹ 0.04 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 2022 has 30 employees on its payroll. Liability of ₹ 2.41 crores (Previous Year ₹ 2.13 crore) in respect of Accrued Leave Salary has been provided in the books of accounts which is based on the actuarial valuation report.

52 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 ₹ 1.27 crore (Previous Year ₹ 1.41 crore) towards Company's contribution to provident fund paid/payable to the NTPC Limited towards above stated employees.

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RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

53 Additional Regulatory Information

i) 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	

Title deeds of Immovable Properties not held in name of the Company as at 31 March 2021

₹ 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.

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Notes forming part of Financial Statements

vi) (a) 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	3.29	2.42	1.37	-	7.07
Projects temporarily suspended				11.15	11.15

Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2021

₹ 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	6.30	7.57	-	0.08	13.95
Projects temporarily suspended	-	-	-	11.13	11.13

vii) (a) 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	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development - Ageing Schedule as at 31 March 2021

₹ 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	0.17	0.29	-	-	0.47
Projects temporarily suspended	-	-	-	-	-

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RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

RATNAGIRI GAS & POWER PRIVATE LIMITED

Notes forming part of Financial Statements

vii) (b) 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 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 2021

₹ 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.

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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 2022	Balance outstanding as at 31 March 2021	Relationship with the struck off company
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 2021-22	FY 2020-21	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	1.37	1.53	(10.89)	Reduction in cash & increase in trade payables
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	0.41	0.42	(3.85)	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	1.03	1.61	(36.02)	Reduction in profitability
Return on equity ratio	Profit for the year	Average Shareholder's Equity	-6.15%	-3.42%	79.94	Reduction in profitability
Inventory turnover ratio	Revenue from operations	Average Inventory	13.15	7.60	72.98	Incarese in Revenue from operations
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	12.02	11.26	6.70	Incarese in Revenue from operations
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	6.77	3.58	89.17	Increase in Fuel cost as per generation
Net capital turnover ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	9.43	3.81	147.94	Incarese in Revenue from operations
Net profit ratio	Profit for the year	Revenue from operations	(0.10)	(0.11)	(9.17)	Incarese in Revenue from operations
Return on capital employed	Earning before interest and taxes	Capital Employed[i]	-10.35%	-3.29%	214.52	-
Return on investment[ii]- Investments in subsidiary and joint venture companies	$\{MV(T1) - MV(T0) - Sum[C(t_1)]\}$	$\{MV(T0) + Sum[W(t) * C(t_2)]\}$	-	-	-	-
Return on investment[ii]- Investments in others	$\{MV(T1) - MV(T0) - Sum[C(t_1)]\}$	$\{MV(T0) + Sum[W(t) * C(t_2)]\}$	-	-	-	-

** 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

$C(t_1)$ = Cash inflow, cash outflow on specific date including dividend received

$C(t_2)$ = 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

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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.

54 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 2022. Below is a summary of such amendments.

1.Ind AS 16 Property, Plant and Equipment

Proceeds before intended use of property, plant, and equipment.

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

2.Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

Onerous Contracts – Cost of fulfilling a contract.

The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

3.Ind AS 103 Business combinations

References to the conceptual framework.

The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

4. Ind AS 109 Financial Instruments

Fees included in the 10% test for derecognition of financial liabilities.

The amendment clarifies which fees an entity includes when it applies the 10% test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

5. Ind AS 101 First time adoption

Subsidiary as a first-time adopter.

Simplifies the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

6.Ind AS 41 Agriculture

Taxation in fair value measurements.

The amendment removes the requirement in Ind AS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113, Fair Value Measurement.

The Company is evaluating the requirements of the above amendments and the effect on the financial statements.

55 Due to outbreak of COVID-19 globally and in India, the Company has made initial assessment of likely adverse impact on business and financial risks.

The Company is in the business of generation and sale of electricity which is an essential service as emphasized by the Ministry of Power, Government of India. The Company has ensured the availability of its power plant to generate power and has continued to supply power during the period of lockdown. The demand for power is continuously increasing with increase in economic activities in the Country, although demand may get impacted in short term due to lock downs in certain parts of the country. The Management does not anticipate any material medium to long-term impact on the financial position of the Company. The Company will continue to closely monitor any material changes to the future economic conditions and take appropriate remedial measures as needed to respond to the Covid related risks, if any.

AMIT KUMAR VERMA	AJAY SHARMA	ASIM KUMAR SAMANTA	Aditya Dar Digitally signed by Aditya Dar Date: 2022.06.06 17:28:42 +05'30'	PRAVEEN SAXENA
(Amit Kumar Verma)	**(Ajay Sharma)**	**(A K Samanta)**	**(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

Mandar Shripad Khire Digitally signed by Mandar Shripad Khire

(M S Khire)
Partner
Membership No - 136606
UDIN: 22136606AKGLFS3051

Khire Khandekar & Kirloskar Chartered Accountants HO A-3, Lara Resi. Mayur Col, Pune-38. FRN 105148W

RATNAGIRI GAS & POWER PVT. LTD. ANJANWEL

Place: Anjanwel
Date: 06th June, 2022

INDEPENDENT AUDITOR'S 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 2022, 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, 2022, 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.

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Emphasis of Matter

We draw attention to the following matters in the notes to accounts to IND AS financial statements of the company: -

(a) 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 31.03.2020 amounting to Rs. 68.76 Crores of all the railways as on 31st March, 2022 are Rs. 75.88 crore (P.Y. Rs.75.42 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.

(b) The company is showing Direct taxes refundable (Net of Provision) Rs. 31.88 crores (P.Y. 31.70 crores), TDS receivables, TCS receivables of previous years with income tax authorities are not reconciled and certain adjustments/assessments/refunds/demands were not taken into account. 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 in the absence of reconciliation.

(c) 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.43.82 crore as on 31-3-2022 but retained as payable pending review for any impact of variations later. (Refer Note No. 22)

Additionally variation cost for the current year, as claimed by the GAIL ,in the form of separate letter has been provided amounting to Rs. 19.86 crore for which final settlement is pending

(d) GAIL has raised bills for Rs. 113.48 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)]

(e) Rs. 31.87 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)]

(f) The common sharing services with KLL and CISF cost attributable to KLL recoverable as on 31-3-2022 is Rs.40.32 Crores (P.Y. 28.30 crores). The said amount should be finalized as per agreement signed on 9th Feb. 2022 and accordingly revised calculation is under process. (Refer note no. 14)

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(g) The company has postponed the revenue recognition of fixed charges, capacity charges and other charges, amounting to Rs. 81.84 Crore (P. Y. Rs.122.57 crore) , surcharge amounting to Rs Nil (P Y . 175.91 Crore and recovery of other charges amounting to Rs 2.85 Crore (PY Rs 2.02 Crore for the year ended March, 2022 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.

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.47)

(h) During F Y 20.21 the company has filed a claim of Rs15.86 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)

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, 2022, 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 42 of the IND AS financial statements	
The company has a negative net worth ofRs.207.58 crore as on 31/03/2022.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 and 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 42 to financial statements.

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Recoverability of indirect tax receivable as described in note 15 of the IND AS financial statements	
GAIL (INDIA) Limited charged VAT amounting to Rs.32.27 crore on account of gas supply. However, the supply made to the company is not chargeable to VAT vide notification no. VAT 1515/CR 118(A)/Taxation-1 dated September 16, 2017. Significant judgment is required in ascertaining the recoverability of said amount	Principal Audit Procedures We have reviewed nature of amount recoverable, the sustainability and likelihood of recoverability

"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.

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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.

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HO
A-3, Lara Resi.
Mayur Col, Pune-38.
FRN 10514
Chartered Accountants

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, 2022 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 Ind AS financial statements of the Company for the year ended March 31, 2022, includes the balances which are appearing from last year IND AS financial Statements, which have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 11th June 2021.

2. 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.I00 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;

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(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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) 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.

(h) 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.

(i) 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 37 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

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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.	No restructuring of loans during the current financial year.	NIL
3	Whether funds received/receivable for specific schemes from Central/State 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)

Mandar Shripad Khire

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Date: 2022.06.07 12:59:13 +05'30'

(M.S.KHIRE)
Partner.
Membership No. 136606
(UDIN: 22136606AKGLFS3051)

Khire Khandekar & Kirloskar Chartered Accountants A-3, Lara Resi. Mayur Col, Pune-38. HO FRN 105148W

Place : Anjanwel
Date : 06/06/2022

"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 2022

i. (a) (A) The record 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, although no physical verification of fixed assets was done, 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 complied with the provisions of Section 185 and 186 of the Act, as applicable, in respect of loans and guarantees issued in favor of Banks. The Company has not given any security 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 2022 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 there are no statutory dues that have not been deposited on account of matters pending before appropriate authorities.

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.

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(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, no funds were raised on short term basis. Hence this clause is not applicable.

(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. (a) 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. (a) 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. (a) 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 not incurred cash losses in the financial year and in the immediately preceding financial year.

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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. (a) 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)

Mandar Shripad Khire
Digitally signed by Mandar Shripad Khire Date: 2022.06.07 13:00:21 +05'30'

(M.S.KHIRE)
Partner.
Membership No. 136606
(UDIN: 22136606AKGLFS3051)

Khire Khandekar & Kirloskar HO A-3, Lara Resi. Mayur Col, Pune-38. FRN 105148W Chartered Accountants

Place : Anjanwel
Date : 06/06/2022

"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, 2022 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, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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)

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(M.S.KHIRE)
Partner.
Membership No. 136606
(UDIN: 22136606AKGLFS3051)

Khire Khandekar & Kirloskar HO A-3, Lara Resi. Mayur Col, Pune-38. FRN 105148W Chartered Accountants

Place : Anjanwel
Date : 06/06/2022

Management replies to Statutory Auditor's Observation – F.Y.2021-22

Sl. No	Mater of Emphasis	Management Reply
(a)	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 31.03.2020 amounting to Rs. 68.76 Crores of all the railways as on 31st March, 2022 are Rs. 75.88 crore (P.Y. Rs.75.42 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.	RGPPL has send the reconciliation statement to six (06) Zonal Railway and response has been received from West Central Railways and North Central Railways. Response from balance four (04) Zonal Railways is awaited. The reconciliation process was got delayed due to COVID 19 pandemic situation during the year 2019-20 & 2020-21. Statement has been shared with all the railway zones upto 31.03.2022 for reconciliation at the earliest.
(b)	The company is showing Direct taxes refundable (Net of Provision) Rs. 31.88 crores (P.Y. 31.70 crores), TDS receivables, TCS receivables of previous years with income tax authorities are not reconciled and certain adjustments/assessments/ refunds/ demands were not taken into account. 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 in the absence of reconciliation.	Adjustment are pending in the books due to requirement of Assessment Order/Effectuating Assessment Order to Appeals/Refund Order issued by CPC.
(c)	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 ofthe 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.43.82 crore as	PNGRB vide tariff order dated 10.12.2018 has increased the transmission tariff w.e.f 01.04.2018. RGPPL is paying revised transmission tariff for Non-APM gas & has requested GAIL to revise the INR component of RLNG with increased rate as per RLNG GSA dated 29.03.2017. As per the said GSA, INR Component of RLNG includes Regasification Charges and Trunk line Transmission Charges. Any change in transmission tariff must be included in INR component & same shall be payable by

Management replies to Statutory Auditor's Observation – F.Y.2021-22

Sl. No	Matter of Emphasis	Management Reply
	on 31-3-2022 but retained as payable pending review for any impact of variations later. (Refer Note No. 22) Additionally, variation cost for the current year, as claimed by the GAIL, in the form of separate letter has been provided amounting to Rs. 19.86 crore for which final settlement is pending	RGPPL. Same methodology was also adopted for inclusion of GST in INR component from July 2017 onwards. RGPPL has repeatedly requested GAIL to recompute the INR component of RLNG in line with GSA with approved methodology on increased transmission tariff as per PNGRB order. However, GAIL has levied increased differential charge separately which is being protested by RGPPL. Pending settlement, the company has already recognised the related charges as expenses in full and kept the unpaid balance as retention payable to GAIL.
(d)	GAIL has raised bills for Rs. 113.48 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)]	Statement of fact. Matter is under active discussion with GAIL for resolution.
(e)	Rs. 31.87 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)]	Statement of fact. Matter is under active discussion with GAIL for resolution.
(f)	The common sharing services with KLL and CISF cost attributable to KLL recoverable as on 31-3-2022 is Rs.40.32 Crores (P.Y. 28.30 crores). The said amount should be finalized as per agreement signed on 9th Feb. 2022 and accordingly revised calculation is under process. (Refer note no. 14)	Statement of fact. Efforts are being made to send at the earliest the revised debit/credit notes as per the revised calculation.
(g)	The company has postponed the revenue recognition of fixed charges, capacity charges and other charges, amounting to Rs. 81.84 Crore (P. Y. Rs.122.57 crore), surcharge amounting to Rs Nil (P Y. 175.91 Crore and recovery of other charges amounting to Rs 2.85 Crore (PY Rs 2.02 Crore for the year ended March, 2022	Statement of facts. Adequate disclosures containing all the facts are made in the Note No.47 forming part of the financial statements.

Management replies to Statutory Auditor's Observation – F.Y.2021-22

Sl. No	Matter of Emphasis	Management Reply
	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. 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.47)	
(h)	During F Y 20.21 the company has filed a claim of Rs15.86 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)	As per the clause 1.2 (a) & (b) price side letter dated 29.03.2017, INR component was calculated based on Petronet LNG Limited (PLL) (LNG Regasification Terminal in Dahej, Gujarat) and it was agreed that for the month of January to April and October to December of each contract year RLNG will be supplied from RGPPL LNG Terminal (demerged to Konkan LNG Limited) and for balance period it will be from PLL. Further it was agreed that difference in regasification charges of PLL and RGPPL LNG Terminal will be payable by the RGPPL. GAIL has signed the new agreement with KLL with regasification rates at par with PLL w.e.f.01.04.2018. However, charged the differential regasification charges of Rs.15.86 crore from RGPPL over the period from 01.04.2018 to 31.03.2019. GAIL has stopped billing differential regasification charges with effect from 16.03.2019. Matter is under active discussion with GAIL for resolution.