

GMR GENERATION ASSETS LIMITED

Registered office: 701, 7th Floor, Naman Centre, Plot No.- C-31,
Bandra Kurla Complex, Bandra East, Mumbai - 400051

CIN: U40104MH2010PLC282702 // Website: www.gmrgroup.in // Telephone: 022-42028000

NOTICE

Notice is hereby given that the **Twelfth Annual General Meeting of Members** of the Company will be held on **Friday, September 30, 2022 at 10:30 AM (IST)** at **New Shakti Bhawan Complex, Opposite Terminal 3, IGI Airport, New Delhi-110037** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the financial year ended on March 31, 2022, and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashis Basu (DIN: 01872233) who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS:

3. **Appointment of Ms. Chandra Rama Kumari Kotha (DIN: 09685258) as Non-Executive Director of the Company.**

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

RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Chandra Rama Kumari Kotha (DIN: 09685258), who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

**By Order of the Board
For GMR Generation Assets Limited**

**Nikhil Dujari
Director
DIN: 07684905**

Date: August 27, 2022
Place: New Delhi

NOTES:

1. A brief profile covering the details of the age, qualification, experience, terms and conditions of appointment, etc. of the Director proposed to be appointed /re-appointed as required pursuant to the Secretarial Standards -2 on General Meetings, is annexed to this Notice as Annexure I.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent (10%) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution/authorization letter (or scanned copy in PDF/JPG Format) authorizing their representative to attend and vote on their behalf at the Meeting.
4. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office / Corporate Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
5. The Register of Directors' and key managerial personnel shareholding will be available for inspection by the members at the AGM.
6. The annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the Company at any point of time. The annual accounts of the subsidiary companies will be available for inspection by any shareholders in the office of the Company and of the subsidiary companies concerned. The Company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.
7. Route-map to the venue of the Meeting is provided at the end of the Notice.

Annexure to the Notice:

1. Explanatory Statement
2. Proxy Form
3. Attendance Slip
4. Route Map

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

The Company has received notice from a member under Section 160 of the Act proposing Ms. Chandra Rama Kumari Kotha (DIN: 09685258) candidature for the office of the Director of the Company. Further, the Nomination & remuneration Committee and the Board of Directors had also recommended the appointment of Ms. Chandra Rama Kumari Kotha as a Non-Executive Director of the Company to the shareholders of the Company in the ensuing 12th Annual General Meeting.

The Company has duly received from Ms. Chandra Kumari, consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The details of the appointee in terms of Secretarial Standard 2 is given in Annexure I as annexed to this Notice

In the opinion of the Board, Ms. Chandra Kumari fulfills the conditions of her appointment as specified in the Companies Act, 2013. Accordingly, considering her expertise and rich experience, the Board considers that her association would be of immense benefit to the Company and accordingly, recommends her appointment as a non-executive director, liable to retire by rotation.

A copy each of the disclosures received from Ms. Chandra Kumari as aforesaid and notice under section 160 of the Act are available for inspection, without any fee, by the members at the Company's registered office / Corporate Office during normal hours on working days.

Except Ms. Chandra Kumari, being appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 3 of the Notice.

The Board recommends the resolution as set out in Item no. 3 for the approval of the members as an ordinary resolution.

**By Order of the Board
For GMR Generation Assets Limited**

**Nikhil Dujari
Director
DIN: 07684905**

Date: August 27, 2022

Place: New Delhi

Annexure I

Additional Information on Directors recommended for re-appointment/appointment as required under Secretarial Standards-2 as prescribed by the Institute of Company Secretaries of India:

| Sl. No. | Particulars\ Name | Mr. Ashis Basu | Ms. Chandra Rama Kumari Kotha |
|---------|---|---|---|
| 1. | Director's Identification Number | 01872233 | 09685258 |
| 2. | Date of Birth | June 02, 1962 | January 12, 1974 |
| 3. | Age | 60 years | 48 Years |
| 4. | Qualifications | C.A. | ICWA |
| 5. | Experience and Expertise in specific functional area | Mr. Ashis Basu holds a Bachelors' degree in Commerce from St. Xavier's College, Kolkata and is also a qualified Chartered Accountant. He has been associated with the GMR Group since December 2001. He has around more than 36 years of experience in Power Sector, Commercial and Contracts. Prior to joining our group, he worked with RPG-RR Power Engineering Limited as a Chief Manager - Finance for a period of 5 years. He has in the past also worked with other subsidiaries of CESC Limited for development of power project and coal mining project. | Ms. Chandra Rama Kumari is a qualified Cost & Management Accountant with over 18 years of experience in the areas of Business Finance, Accounting, Auditing, MIS Strategy & Budgeting. She started her career with GMR group in Dec 1998 and continued with the group in various capacities. She worked at various locations such as Jute, Ferro Alloys (manufacturing units) of the group situated in AP and various departments at Corporate office such as Group Finance, Strategic planning, SAP implementation, HR, Admin, Budget assurance & cost control, she also worked as CFO of Raxa Security Services Ltd, Safety & security wing of the group. she got various accolades for her contribution from the management. |
| 6. | Date of first appointment on the Board of the Company | 13/01/2014 | Effective from the date of AGM i.e. September 30, 2022 if approved by the shareholders |
| 7. | Number of shares held in the Company | 10 Equity Shares of Rs.10 each as a nominee of GMR Power and Urban Infra Limited (GPUIL) | NA |
| 8. | List of the directorships held in other companies | Given hereunder as (a) | GMR Salem Logistics Private Limited |
| 9. | List of the Membership/ | Given hereunder as (a) | - |

| | | | |
|-----|---|---|--|
| | Chairmanship in Committees held in other companies | | |
| 10. | Number of Board Meetings attended during the year 2021-22 | Three | Not applicable |
| 11. | Relationship with other Directors, and other Key Managerial Personnel | None | None |
| 12. | Terms of appointment / remuneration | Terms of the appointment as per the resolution proposed in the Annual General Meeting and as per the Nomination and Remuneration Policy of the Company Annexed to the Board's Report 2021-22 Remuneration: Nil | Terms of the appointment as per the resolution proposed in the Annual General Meeting and as per the Nomination and Remuneration Policy of the Company |

a. Names of entities in which Mr. Ashis Basu holds directorship and the Membership /Chairmanship of Committees of the Board:

| S. No. | Name of Companies (Directorship) | Membership / Chairmanship of Committees of the Board |
|--------|---|---|
| 1. | GMR Mining And Energy Private Limited | - |
| 2. | GMR Energy Trading Limited | Corporate Social Responsibility Committee, Executive Committee |
| 3. | GMR Gujarat Solar Power Limited | Corporate Social Responsibility Committee |
| 4. | GMR Warora Energy Limited | Executive Committee, Securities Allotment Committee |
| 5. | GMR Bajoli Holi Hydropower Private limited | Nomination and Remuneration Committee, Management Committee, Securities Allotment Committee |
| 6. | GMR Maharashtra Energy Limited | - |
| 7. | GMR Upper Karnali Hydropower Limited* | - |
| 8. | Karnali Transmission Company Private Limited* | - |
| 9. | DAL Capital Advisory LLP | - |
| 10. | GMR Vemagiri Power Generation Limited | - |
| 11. | GMR Indo- Nepal Energy Links Limited** | - |
| 12. | GMR Indo- Nepal Power Corridors Limited | - |
| 13. | GMR Consulting Services Limited | - |
| 14. | GMR Green Energy Limited | - |

* Company incorporated outside India

** Under process of striking off

GMR Generation Assets Limited

**Regd. Office: 701, 7th Floor, Naman Centre, Plot No. C-31,
Bandra-Kurla Complex, Bandra (East), Mumbai-400051**

Form No. MGT-11

PROXY FORM

*[Pursuant to Section 105(6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

CIN: U40104MH2010PLC282702

Name of the company : GMR Generation Assets Limited
Registered office : 701, 7th Floor, Naman Centre, Plot No. C-31,
Bandra-Kurla Complex, Bandra (East), Mumbai-400051

| | |
|-------------------------|-------|
| Name of the member (s): | |
| Registered address: | |
| E-mail Id: | |
| Folio No/ Client Id: | |
| DP ID: | |

I/We, being the member (s) of GMR Generation Assets Limited, holding Shares of the above named company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature:....., or failing him
2. Name:
Address:
E-mail Id:
Signature:....., or failing him
3. Name:
Address:
E-mail Id:
Signature:..... ..

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, September 30, 2022 at 10:30 AM at New Shakti Bhawan Complex, Opposite Terminal 3, IGI Airport, New Delhi-110037 or any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution Number | Particulars | For | Against |
|--------------------------|--|------------|----------------|
| Ordinary Business | | | |
| 1 | To receive, consider and adopt the Audited Financial Statement as at March 31, 2022, and the reports of the Directors and Auditors thereon | | |

| | | | |
|---|---|--|--|
| 2 | To appoint a director in place of Mr. Ashis Basu, who retires by rotation and being eligible offers herself for reappointment | | |
| 3 | To appoint Ms. Chandra Rama Kumari Kotha (DIN: 09685258) as Non-Executive Director of the Company | | |

Signed this _____ day of _____, 2022

Signature of shareholder

| |
|---------------------------|
| Affix Revenue Stamp |
|---------------------------|

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP
ANNUAL GENERAL MEETING TO BE HELD ON SEPTEMBER 30, 2022

CIN : U40104MH2010PLC282702
Name of the Company : GMR Generation Assets Limited
Registered office : 701, 7th Floor, Naman Centre, Plot No. C-31, Bandra- Kurla
Complex, Bandra (East), Mumbai-400051
Website : www.gmrgroup.in
E-mail : ENERGY-SECRETARIAL@gmrgroup.in

Folio No. / DP ID Client ID No. :

Name of First named Member/
Proxy/Authorised Representative :

Name of Joint Member(s), if any :

No. of Shares held :

I/we certify that I/we am/are member(s)/proxy for the member(s) of the company.

I/we hereby record my/our presence at the Annual General Meeting of the Company being held on Friday, the 30th day of September, 2022 at 10:30 AM (IST) at New Shakti Bhawan Complex, Opposite Terminal 3, IGI Airport, New Delhi-110037.

Signature of First holder/Proxy/Authorised Representative :.....

Signature of 1st Joint holder :.....

Signature of 2nd Joint holder :.....

Note(s) :

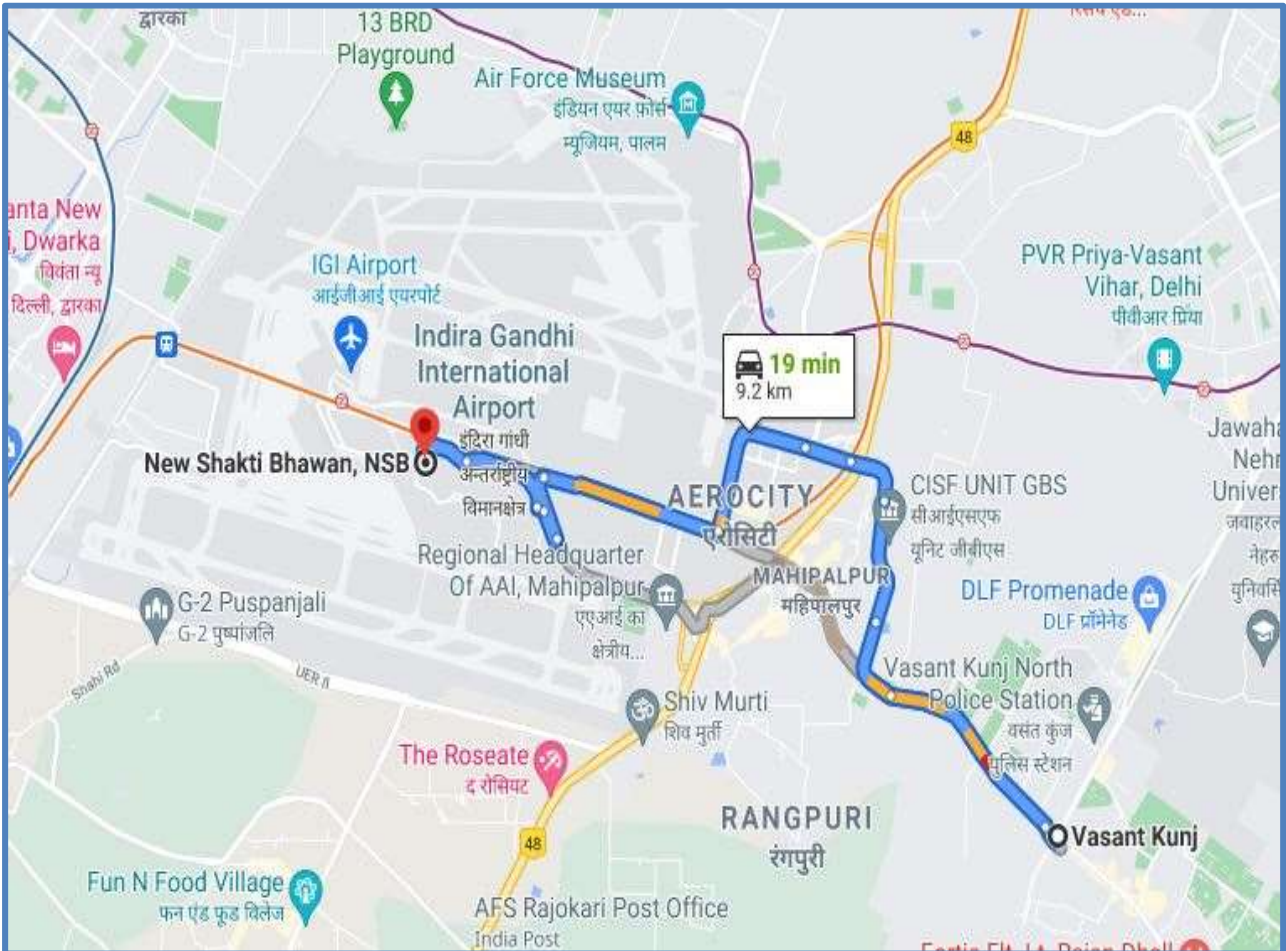
1. Please sign this attendance slip and hand it over at the Meeting Venue.

ROUTE MAP TO THE ANNUAL GENERAL MEETING OF GMR GENERATION ASSETS LIMITED

DATE: September 30, 2022

TIME : 10:30 AM IST

VENUE : New Shakti Bhawan Complex, Opposite Terminal 3, IGI Airport, New Delhi-110037



GMR GENERATION ASSETS LIMITED

Registered office: 701, 7th Floor, Naman Centre, Plot No.- C-31,
Bandra Kurla Complex, Bandra East, Mumbai - 400051

CIN: U40104MH2010PLC282702 // Website: www.gmrgroup.in // Telephone: 022-42028000

Board's Report

Dear Members,

The Board of Directors of your company presents the Twelfth Annual Report of the Company together with the Audited Financial Statements for the financial year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

(Rs. in crore)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| Revenue from Operations | 1.61 | 0.76 |
| Other Income | 60.49 | 73.98 |
| Total income | 62.10 | 74.74 |
| Expenses including Interest and Depreciation | 226.60 | 190.05 |
| Profit/(Loss) before exception item & tax | (164.50) | (115.30) |
| Exceptional items | (243.35) | (477.50) |
| (Loss) before tax | 78.85 | (592.80) |
| Total tax expense (including adjustment for tax relating to earlier period & deferred tax) | 4.00 | (0.10) |
| (Loss) after Tax | 74.85 | (592.90) |

REVIEW OF OPERATIONS/PROJECTS

The Company has 2.1 MW wind power project is located at Village - Moti Sinhodi, District-Kutchh, Gujarat. The Project was developed by M/s Suzlon Energy on turnkey basis and commissioned on July 4, 2011. The entire power generated from the SPV is being sold to Gujarat Urja Vikas Nigam Limited - under a Long Term PPA for a period of 25 years at fixed APPC price. The applicable tariff is INR 2.61/KWh. The Company, apart from generating power from renewable sources, has its objectives as procuring, supplying, and dealing in electricity.

The operational highlights during the period under review are as follows:

| | |
|-------------------------------------|--|
| Power Generation | <ul style="list-style-type: none"> • Till March, 2022 (cumulative since Jul'11) - Energy Generated- 42,104,976 KWh. • In FY 21-22 - <ul style="list-style-type: none"> - Energy generated - 3,785,512 KWh - PLF - achieved 20.5% w.r.t. 17.2% targeted in AOP. • Revenue Billed from electricity generation - 0.99 Crore |
| Renewable Energy Certificates (REC) | <ul style="list-style-type: none"> • Till March, 2022 (Cumulative) <ul style="list-style-type: none"> - REC Credited 41036 - REC's traded 40426 - REC's available for trade 610 - REC's expired till date 0 • In FY 21-22 - Revenue Earned - Rs.0.60 Crore |
| Generation Based Incentives (GBI) | <ul style="list-style-type: none"> • Company has recovered 100% Generation Based Incentive (eligibility Rs.0.62 Crore / MW). • Total amount received Rs.1.3 Crore for the period July 11 - September 17 from IREDA. |

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company.

DIVIDEND

In view of accumulated losses, your Directors do not recommend any dividend.

TRANSFER TO RESERVES

There has been no transfer to/from any reserve.

DEPOSITS

During the year under review, the Company has neither invited nor received any deposits from the public.

HOLDING COMPANY

Pursuant to scheme of arrangement amongst GMR Power Infra Limited ("GPIL"), GMR Infrastructure Limited ("GIL") and GMR Power and Urban Infra Limited ("GPUIL") and their respective shareholders ("Scheme"), with appointed date of April 01, 2021, effectuating the merger of GPIL into GIL and the demerger of non-airport business (demerged undertaking) of GIL into GPUIL, equity shareholding of GIL in the Company alongwith loans granted by it shall get transferred to GPUIL and the Company, which was subsidiary of GIL, has now become the subsidiary of GPUIL w.e.f. December 31, 2021.

NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

The following companies are subsidiaries companies of the Company during the year under review:

| Sl. No. | Name of Subsidiary Company |
|----------------|--------------------------------------|
| 1 | GMR Londa Hydropower Private Limited |
| 2 | GMR Mining & Energy Private Limited |

The following companies are Associates companies of the Company during the year under review:

| Sl. No. | Name of Associate Company |
|----------------|---|
| 1 | GMR Rajahmundry Energy Limited |
| 2 | GMR Energy Limited |
| 3 | GMR Tambaram-Tindivanam Expressways Private Limited |
| 4 | GMR Tuni-Anakapalli Expressways Private Limited |

The Company has availed exemption as provided under Rule 6 of the Companies (Accounts) Rules, 2014. The Report on the highlights of performance of subsidiaries, associates and joint ventures and their contribution to the overall performance of the Company has been provided in Form AOC-1 and enclosed as **Annexure-I**.

REVIEW OF OPERATIONS/PROJECTS OF SUBSIDIARIES OF THE COMPANY

GMR LONDA HYDROPOWER PRIVATE LIMITED

GMR Londa Hydropower Private Limited is developing a 225 MW Hydropower project in East Kameng district in Arunachal Pradesh. Requisite approvals in place and studies have been conducted and submitted to Govt. The Company is continuously following-up with Govt. of Arunachal Pradesh for further development and way forward.

GMR MINING & ENERGY PRIVATE LIMITED

GMR Mining & Energy Private Limited, a WOS, was promoted to develop and operate in mining business. The Company is yet to commence its commercial operations.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review, the Company has granted loans and made investments to body corporates. The details of Loans, Guarantees and Investments are mentioned respective schedules of the Financial Statements of the Company as at March 31, 2022. Further, the Company is an infrastructure company and accordingly section 186 of the Act is not applicable.

PARTICULARS OF CONTRACTS WITH RELATED PARTIES UNDER SEC 188(1) OF THE ACT

All contracts/arrangements/transactions entered by the Company during the year under review with related parties were in the ordinary course of business and on an arm's length basis and were not attracting the provisions of Section 188 of the Act read with the Rules framed thereunder, hence, the particulars required to be disclosed pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014, in prescribed Form AOC- 2, are, thus, not applicable to the Company. The details of the Related Parties transactions are mentioned in Note 28 of the Financial Statements as at March 31, 2022.

BOARD OF DIRECTORS

The Board of Directors of the Company consists of six directors as on the date of this report. All the Directors are non-executive directors, including 2 independent directors and 1 Woman Director. All Directors, including Independent Directors are professionals with high credentials, who actively contribute in the deliberations of the Board, covering all strategic policy matters and strategic decisions.

The Constitution of the Board of Directors of the Company as on March 31, 2022 is as follows:

| S. No. | Name of the Director | Position | Category |
|---------------|------------------------------------|-----------------|--------------------------|
| 1. | Mr. Ashis Basu | Director | Non – Executive Director |
| 2. | Mr. Sanjay Narayan Barde | Director | Non – Executive Director |
| 3. | Mr. Adi Seshavataram Cherukupalli* | Director | Independent Director |
| 4. | Mr. Subodh Kumar Goel | Director | Independent Director |
| 5. | Dr. Kavita Gudapati | Director | Non – Executive Director |
| 6. | Mr. Nikhil Dujari# | Director | Non – Executive Director |

*appointed w.e.f. September 30,2021 #appointed w.e.f June 21, 2021.

Changes in the Board Composition:

Mr. Nirjhar Sarkar has resigned w.e.f. June 21, 2021 and Mr. R.S.S.L.N. Bhaskarudu, Independent director has resigned w.e.f. August 24, 2021. The board places its sincere appreciation for their contributions.

Mr. Nikhil Dujari has been appointed as Additional Director(Non-Executive) w.e.f. June 21, 2021 whose appointment were approved by shareholders in 11th AGM and Mr. Adi Seshavataram Cherukupalli was appointed as an Independent director for the period of three years in 11th AGM held on September 30, 2021.

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ashis Basu, non-executive director is liable to retire by rotation at the ensuing AGM and being eligible has offered himself for reappointment.

KEY MANAGERIAL PERSONNEL

In terms of the provisions of Section 203 of the Act, the Company is required to have 3 (three) categories of Key Managerial Personnel (KMPs) viz. Managing Director/Chief Executive Officer/Manager and in their absence, a Whole-time Director, Chief Financial Officer and Company Secretary.

Mr. Debraj Dutta continue to hold the position as the Manager of the Company.

Mr. Manoj Kumar Aggrawal had resigned from the position of Chief Financial Officer with effect from November 16, 2021 and Mr. Parveen Agarwal was appointed in his place effective from November 16, 2021.

As on the date of signing of the report, Mr. Chirag Bhayal had resigned from the position of Company Secretary effective from July 20, 2022 and Ms. Madhvi Sharma has been appointed as Company Secretary whose appointment shall be effective from July 20, 2022.

ANNUAL RETURN

As required pursuant to Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014 read with Section 134(3)(a) of the Act a copy of annual return in Form MGT 7 is available at the Company's webpage at www.gmrgroup.in.

SECRETARIAL STANDARDS

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

BOARD MEETING

Five Meetings of the Board of Directors were held on the following dates during the financial year 2021-22:

1. June 01, 2021
2. July 29, 2021
3. September 17, 2021
4. November 12, 2021
5. January 18, 2022

The attendance of Directors at Board Meeting was as under:

| Name | No. of Meetings | | |
|---|----------------------|-----------------------------|----------|
| | Held during the year | Held during his/ her tenure | Attended |
| Mr. Ashis Basu | 5 | 5 | 3 |
| Mr. Sanjay Narayan Barde | 5 | 5 | 1 |
| Dr. Kavitha Gudapati | 5 | 5 | 1 |
| Mr. Subodh Kumar Goel | 5 | 5 | 5 |
| Mr. Nikhil Dujari* | 5 | 4 | 4 |
| Nirjhar Sarkar [#] | 5 | 1 | 1 |
| Mr. R.S.S.L.N Bhaskarudu [^] | 5 | 2 | 2 |
| Mr. Adi Seshvataram Cherukupalli [@] | 5 | 2 | 2 |

*appointed w.e.f. June 21, 2021, [#]resigned w.e.f June 21, 2021, [^]resigned w.e.f. August 24, 2021, [@]appointed w.e.f. September 30, 2021

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declarations from independent directors of the Company under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013. The Company has also received a declaration from all the Independent Directors that they have registered their names in the Independent Directors Data Bank.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors was held on July 29, 2021 without the attendance of Non-Independent Directors and members of Management. All the Independent Directors attended the meeting. The independent director discussed the issues relating to review of the performance of non-independent directors and the Board as a whole including the assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

EVALUATION OF THE BOARD

Annual evaluation of the Board performance, Board, Committees and individual directors pursuant to the provisions of the Act has been carried out. The evaluation was based on a structured questionnaire covering various aspects of the working of Board and the Committees like composition and structure, effectiveness of processes, information and functioning etc.

COMMITTEES OF THE BOARD

1) AUDIT COMMITTEE

a) Composition:

The Audit Committee of the Board comprises of the following Members at present:

- i) Mr. Adi Seshvataram Cherukupalli, Independent Director
- ii) Mr. Subodh Kumar Goel, Independent Director
- iii) Mr. Ashis Basu, Non-Executive Director

Mr. R.S.S.L.N Bhaskarudu had resigned from directorship of the Company with effect from August 24, 2021. Therefore, he ceased to be member of the Audit Committee as well. Mr. Adi Seshvataram Cherukupalli was appointed as member of Audit Committee in his lace with effect from January 10, 2022.

b) Meetings held during the year:

During the Financial Year 2021-22, the Audit Committee met four times on following dates:

1. June 01, 2021
2. July 29, 2021
3. November 12, 2021
4. January 18, 2022

The attendance of the Audit Committee Members is as under:

| Name | No. of Meetings | | |
|---|----------------------|--------------------------|----------|
| | Held during the year | Held during their tenure | Attended |
| Mr. Ashis Basu | 4 | 4 | 3 |
| Mr. Subodh Kumar Goel | 4 | 4 | 4 |
| Mr. Adi Seshvataram Cherukupalli [®] | 4 | 1 | 1 |
| Mr. R.S.S.L.N Bhaskarudu* | 4 | 2 | 2 |

[®]Mr. Cherukupalli appointed as member of Audit Committee w.e.f. January 10, 2022 *cessation on August 24, 2021

All the recommendations of the Audit Committee were approved by the Board of Directors during the year.

c) Terms of Reference of the Committee:

The terms of reference of the Audit Committee shall be as per Section 177 of the Companies Act, 2013 and rules made thereunder or any amendments thereto from time to time.

d) Vigil Mechanism:

To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to voice concern in a responsible and effective manner about serious malpractice, impropriety, abuse or wrongdoing within the organization, the Company has a Whistle Blower Policy/Vigil Mechanism in place, applicable to the Company, its holding company, fellow subsidiaries and other Group Companies. This mechanism has been communicated to all concerned. Whistle Blower Policy/Vigil Mechanism is administered appropriately by the Group Ombudsperson.

2) NOMINATION AND REMUNERATION COMMITTEE (NRC)

a) Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee(NRC) of the Board comprises of the following Members at present:

- i) Mr. Subodh Kumar Goel, Independent Director
- ii) Mr. Adi Seshvataram Cherukupalli, Non-Executive Director
- iii) Mr. Nikhil Dujari, Non-Executive Director

Mr. R.S.S.L.N Bhaskarudu had resigned from directorship of the Company with effect from August 24, 2021. Therefore, he ceased to be member of the NRC as well. Mr. Adi Seshvataram Cherukupalli was appointed as member of NRC with effect from January 10, 2022.

b) Meetings of the Committee during the year

During the year under review, one Meeting of the NRC was held on July 29, 2021. Mr. Subodh Kumar Goel, Mr. R.S.S.L.N Bhaskarudu and Mr. Nikhil Dujari were present in meeting.

The attendance of the Nomination and Remuneration Committee Members is as under:

| Name | No. of Meetings | | |
|-----------------------------------|----------------------|-----------------------------|----------|
| | Held during the year | Held during his/ her tenure | Attended |
| Mr. Nikhil Dujari | 1 | 1 | 1 |
| Mr. Subodh Kumar Goel | 1 | 1 | 1 |
| Mr. R.S.S.L.N Bhaskarudu* | 1 | 1 | 1 |
| Mr. Adi Seshvataram Cherukupalli@ | 1 | 0 | - |

*cessation on August 24, 2021, @ appointed as member of NRC w.e.f. January 10, 2022

c) Nomination and Remuneration Policy:

The policy of the company on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of directors and other matters provided under Section 178 (3) of the Companies Act, 2013, adopted by the Board is given as **Annexure-II**.

3) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

a) Composition of CSR Committee

The CSR Committee of the Board comprises of the following Members at present:

- i) Mr. Subodh Kumar Goel, Independent Non-Executive Director
- ii) Mr. Ashis Basu, Non-Executive Director
- iii) Mr. Nikhil Dujari, Non-Executive Director

Mr. Nirjhar Sarkar and Mr. R.S.S.L.N Bhaskarudu resigned from directorship of the Company with effect from June 21, 2021 and August 24, 2021 respectively, therefore, ceased to be member of the CSR committee. Mr. Nikhil Dujari appointed as member of the committee with effect from June 21, 2021 and Mr. Subodh Kumar Goel with effect from January 10, 2022.

b) Meetings of the Committee during the year:

During the year under review, one Meeting of the CSR Committee was held on July 29, 2021. Mr. R.S.S.L.N Bhaskarudu and Mr. Nikhil Dujari were present in meeting and Mr. Ashis Basu was on leave of absence.

c) Terms of Reference of the CSR Committee:

The terms of reference of the CSR Committee, *inter-alia*, include the following:

- 1) Formulate and recommend to the Board, Corporate Social Responsibility Policy
- 2) Recommend the amount of expenditure to be incurred in CSR activities
- 3) Monitor the CSR Policy of the Company from time to time
- 4) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

d) CSR Policy:

On the recommendation of the CSR Committee, the Board has framed a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company. The CSR Policy of the Company is annexed herewith as **Annexure-III**.

e) CSR Activities:

The provisions of the Companies Act 2013 regarding the mandatory expenditure on CSR activities is not applicable to the Company, as there are no average profits in the preceding

three financial years, due to the losses. The CSR Annual Report is annexed herewith as **Annexure-IV.**

4) EXECUTIVE COMMITTEE:

a) Composition of Executive Committee

The composition of Executive Committee of the Board at present is as following:

1. Mr. Ashis Basu, Non-Executive Director
2. Mr. Sanjay Narayan Barde, Non-Executive Director
3. Mr. Nikhil Dujari, Non-Executive Director

Mr. Nirjhar Sarkar resigned with effect from June 21, 2021 and Mr. Dujari appointed in his place with effect from June 21, 2021

b) Meetings and Attendance of during the year

Executive Committee met three times during the year on July 27, 2021, August 27, 2021 and January 24, 2022

The attendance of Executive Committee members is as under:

| Name | No. of Meetings | | |
|--------------------------|----------------------|------------------------|----------|
| | Held during the year | Held during the tenure | Attended |
| Mr. Sanjay Narayan Barde | 3 | 3 | 3 |
| Mr. Ashis Basu | 3 | 3 | 3 |
| Mr. Nikhil Dujari | 3 | 3 | 3 |
| Mr. Nirjhar Sarkar | 3 | 0 | - |

c) Terms of Reference:

The terms of reference of Executive Committee shall, inter-alia, include the following:

- 1) To borrow money from Banks / Financial Institutions / Corporates.
- 2) To grant loans to subsidiary companies, other body corporate(s) within the Group
- 3) To give/provide guarantee to/on behalf of subsidiary companies, other body corporate(s) within the Group
- 4) To provide security in respect of loans including pledge of investments.
- 5) To invest in fixed deposits
- 6) To decide the opening, operations and closing of Bank Accounts of the Company, from time to time, and to authorize Directors, officers, employees and authorised signatories of the Company in that behalf.
- 7) To decide to give authorise officials of the Company and/or its group/associate companies to represent the Company before various Government Departments, Statutory bodies, regulatory authorities, judicial authorities, PSUs, other body corporates, etc., and to sign and submit any applications, agreements, returns, undertakings, declarations and other documents as may be required from time to time.

5. SECURITIES ALLOTMENT COMMITTEE:

a) Composition of Securities Allotment Committee

The composition of Securities Allotment Committee is as follows:

1. Mr. Ashis Basu, Non-Executive Director
2. Mr. Sanjay Narayan Barde, Non-Executive Director
3. Mr. Nikhil Dujari, Non Executive Director

Mr. Nirjhar Sarkar has resigned from the Directorship of the Company w.e.f June 21, 2021, consequently he ceased to be member of the Committee.

Mr. Nikhil Dujari and Mr. Sanjay Narayan Barde were appointed as members of Securities Allotment Committee w.e.f June 21, 2021.

b) Meetings and Attendance of during the year

During the year no meeting of Securities Allotment Committee was held.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the annual Financial Statements for the year ended 31st March 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual Financial Statements have been prepared on a going concern basis;
- e) that proper internal financial controls to be followed by the Company have been laid down and that the financial controls are adequate and were operating effectively; and
- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT

The Company has a detailed risk management framework duly approved by the Audit Committee and Board. The Company's risk management framework is in line with the current best practices and effectively addresses the emerging challenges in a dynamic business environment. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative.

As a matter of policy, risks are assessed and steps as appropriate are taken to mitigate the same.

INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY

All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

GMR Group ensures and maintains the liability insurance for its Directors and Officers of all its subsidiaries and group companies. The Group believes that it is appropriate to provide such cover to protect the directors from any innocent error arisen if any, as the Directors carry significant liability under criminal and civil law.

All the Directors of the Company are covered by Directors & Officers Liability Policy entered into by GMR Infrastructure Limited, group company with the Insurance Company.

AUDITORS & AUDITORS' REPORT:

STATUTORY AUDITORS

M/s. Phani Bhushan & Co., Chartered Accountants (Registration No. 012481S), were appointed as Statutory Auditors of the Company in the ensuing Annual General Meeting for a period of Five years from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2025.

AUDITORS' REPORT

The Auditors have given the auditors' report on financial statements of the Company for the financial year ended March 31, 2022. However, with respect to Emphasis of Matters, the comments of the Auditors read with the notes to financial statements are self-explanatory. The matter of qualification is given below:

Emphasis of Matters

The Company's net worth has been eroded at the year end. During the year ended March 31, 2022 the Company has disclosed net income in view of recognition of TANGEDCO claim of Rs.537 Crore (March 31, 2021 Rs.592.90 Crore) and accumulated losses at the year-end exceeds net worth of the Company by Rs.382.29 Crore (March 31, 2021 Rs.714.46 Crore). Further the Company's current liabilities exceeded current assets by Rs.321.90 Crore. The Company is dependent on GMR Power & Urban Infra Limited for continued financial support. The financial statements of the Company have been prepared on going concern basis in view of the support letter received from GMR Power & Urban Infra Limited to confirm its continued financial support to the Company to enable it to meet its financial obligations, as they fall due, in the foreseeable future period of one year and beyond.

The Auditors drew attention to the uncertainty in the matter relating to claims / counter claims filed by the merged entity namely GMR Power Corporation Limited, and Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) being sub-judice before the Honorable Supreme Court of India & before APTEL, and not attained finality.

Auditors' opinion in respect of the above matters is not modified.

Comments in report under CARO that:

- i. The Company has defaulted in repayment loan instalment to Yes Bank amounting to Rs.19.08 crore.

Management reply: The Company is taking all efforts to pay off all dues and said instalment has been paid as on date.

- ii. The property at Bandra Kurla Complex, Mumbai is not yet registered in the name of the Company.

Management reply: It was informed that said property is mortgaged with Yes Bank (YBL) by the seller (one of GMR Group Companies) for term loan facilities extended by the YBL. The Company is in process to get the title deeds released from YBL for transferring the property in the name of the Company.

- iii. The Company has utilized short term funds for long term purposes as at the end of the year.

Management reply: The Company has amended the terms of the loans agreement with the lenders and those loans are now reclassified as Long term facilities.

It was informed that, other than above, the comments and observations of the Statutory Auditors are self-explanatory and do not call for further explanation.

No fraud has been reported by the Auditors u/s 143(12) during the period under review.

COST AUDITOR

The Company is not covered under the Cost Audit rules as it does not qualify the criteria. Since the cost audit is not applicable for the Company, the Company is not required to appoint the Cost Auditor.

SECRETARIAL AUDIT & SECRETARIAL AUDIT REPORT

The Board of Directors had appointed M/s Arunesh Dubey & Co., Company Secretary in Practice as the Secretarial Auditor of the Company to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith as **Annexure-V** to this Report.

The Secretarial Audit Report for the FY 2021-22 does not contain any qualification, reservation or adverse remarks.

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

(A) Conservation of energy:

| | | |
|-----|---|--|
| I. | the steps taken or impact on conservation of energy | <ul style="list-style-type: none">▪ GGAL is a NON CONVENTIONAL Power Plant which generates electricity by using Wind Energy without effecting the environment and is also known as "CLEAN ENERGY".▪ Further, the Wind Power Plant operates on "Wind Flow" which cannot be controlled or predicted. And conservation of the same is not practical. |
| II. | the steps taken by the company for utilizing alternate sources of energy. | Wind Energy itself is an alternative source of energy |

| | | |
|------|---|-----------------|
| III. | the capital investment on energy conservation equipment's | Not Applicable. |
|------|---|-----------------|

(B) **Technology absorption:** As energy conservation activities are not applicable in case of this plant; hence there is no such "Technology Absorption"

| | | |
|------|--|-----|
| I. | the efforts made towards technology absorption | NIL |
| II. | the benefits derived like product improvement cost reduction product development or import substitution | NIL |
| III. | in case of imported technology (important during the last 3 years reckoned from the beginning of the financial year) | NIL |
| | (a) the details of technology imported | - |
| | (b) the year of import; | - |
| | (c) whether the technology been fully absorbed | - |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | - |
| IV. | the expenditure incurred on Research and Development | NIL |

FOREIGN EXCHANGE EARNINGS AND OUTGO:

There were no foreign exchange expenses or foreign exchange earnings during the financial year 2021-22.

PARTICULARS OF EMPLOYEES:

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure VI**.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company through various practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

GMR Group recognizes that sexual harassment violates fundamental rights of gender equality, right to life, liberty and right to work with human dignity as guaranteed by the Constitution of India. The Group had constituted an Internal Complaint committee (ICC) and had implemented a detailed policy against sexual harassment at work place.

During the year ended March 31, 2022, the ICC has not received any complaint pertaining to sexual harassment.

ACKNOWLEDGEMENTS

The Directors place on record their grateful appreciation and sincere thanks for the assistance and co-operation received from the Government of Gujarat, Gujarat Urja Vikas Nigam Limited, Banks, Statutory Authorities, employees and other stakeholders during the period under review.

**For and on behalf of the Board of Directors of
GMR Generation Assets Limited**

Nikhil Dujari
Director
DIN: 07684905

Ashis Basu
Director
DIN: 01872233

Date: July 19, 2022
Place: New Shakti Bhawan Complex,
Opposite Terminal 3, IGI Airport,
New Delhi-110037

ANNEXURE I**FORM NO. AOC.1**

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

Statement containing salient features of the financial statement of Subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

(Rs. in Crore)

| Particulars | Name of the Subsidiaries | |
|--|--------------------------------------|-----------------------------|
| | GMR Londa Hydropower Private Limited | GMR Mining & Energy Private |
| Reporting period for the subsidiary concerned, if different from the holding company's reporting period | - | - |
| Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign | - | - |
| Share capital | 0.01 | 0.05 |
| Reserves & surplus | (95.23) | (1.13) |
| Total Assets | 0.10 | 0.00 |
| Total Liabilities | 95.33 | 1.09 |
| Investments | - | - |
| Turnover | - | - |
| Profit before taxation | (6.15) | (0.01) |
| Provision for taxation | - | - |
| Profit after taxation | (6.15) | (0.01) |
| Proposed Dividend | - | - |
| % of shareholding | 100% | 100% |

Part "B": Associates and Joint Venture;

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

(Rs. In Crore)

| Name of Associates/Joint Ventures | GMR Rajahmundry Energy Limited (Associate) | GMR Energy Ltd (JV) | GMR Tambaram Tindivanam Expressways Ltd (JV) | GMR Tuni Ankapalli Expressways Ltd (JV) |
|--|--|---------------------|--|---|
| 1. Latest audited Balance Sheet Date | March 31, 2022 | March 31, 2022 | March 31, 2022 | March 31, 2022 |
| 2. Shares of Associate / Joint Ventures held by the company on the year end | | | | |
| No. | 1,15,70,00,0 | 13,01,53,1 | 2,70,000 | 2,70,000 |
| Amount of Investment in Associates / Joint Venture | 2,843.60* | 1,157.00* | 0.27 | 0.27 |
| Extend of Holding % | 45% | 36.08% | 27% | 27% |

| 3. Description of how there is significant influence | Exercising more than 20% of the shareholding | Exercising more than 20% of the shareholding | Exercising more than 20% of the shareholding | Exercising more than 20% of the shareholding |
|--|--|--|--|--|
| 4. Reason why the associate/joint venture is not consolidated. | The Company has availed the exemption for non-consolidation of accounts of its subsidiaries under Rule 6 of the Companies (Accounts) Rules, 2014 | | | |
| 5. Net-worth attributable to Shareholding as per latest audited Balance Sheet. | 22.39 | 481.15 | 78.20 | 42.55 |
| 6. Profit / Loss for the year | | | | |
| i. Considered in Consolidation | NA (Please refer point 4 above) | | | |
| i. Not Considered in Consolidation | | | | |

*The investment amount represents amount actually invested without providing Provision for permanent diminution in value of investment. For the details of said provision, please refer Note No. 6 of the Financial Statement.

- Names of subsidiaries which are yet to commence operations: Not Applicable: GMR Mining & Energy Private Limited
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

For and on behalf of the Board of Directors

Nikhil Dujari
Director
DIN: 07684905

Ashis Basu
Director
DIN: 01872233

Date: April 18,2022
Place: New Delhi

Parveen Agarwal Chirag Bhayal
Chief Financial Officer Company Secretary
PAN: ACJPA8717D M.No. ACS A45462

Nomination and Remuneration Policy

The Company's policy on the appointment and remuneration of directors and key managerial personnel provides a framework based on which our human resource management aligns their recruitment plans for the strategic growth of the Company. The nomination and remuneration policy is provided hereunder pursuant to Section 178 (4) of the Companies Act, 2013.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

1.1. Appointment criteria and qualifications

(a) Subject to the applicable provisions of the Companies Act, 2013, other applicable laws, if any and GMR Group HR Policy, the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, or at Senior Management level and recommend to the Board his / her appointment.

(b) The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position.

(c) The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

1.2. Term / Tenure

1.2.1. Managing Director / Whole-time Director / Manager (Managerial Personnel)

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

1.2.2. Independent Director

- a. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- b. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- c. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- d. The maximum number of public companies in which a person can be appointed as a director shall not exceed ten.
For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

1.3. Familiarization Programme for Independent Directors

The company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

1.4. Evaluation

Subject to Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Committee shall carry out the evaluation of Directors periodically.

1.5. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP, subject to the provisions and compliance of the applicable laws, rules and regulations.

1.6. Retirement

The Director, KMP and Personnel of Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Personnel of Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, in the interest and for the benefit of the Company.

2. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT PERSONNEL

2.1. General

(a) The remuneration / compensation / commission etc. to Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

(b) The remuneration and commission to be paid to the Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

(c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Personnel.

(d) Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

2.2. Remuneration to Managerial Personnel, KMP, Senior Management and Other Employees

2.2.1. Fixed Pay

Managerial Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2.2.2. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

2.2.3. Provisions for excess remuneration

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

2.2.4. The remuneration to Personnel of Senior Management shall be governed by the GMR Group HR Policy.

2.2.5. The remuneration to other employees shall be governed by the GMR Group HR Policy.

2.3. Remuneration to Non-Executive / Independent Director

2.3.1. Remuneration / Commission

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

2.3.2. Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

The sitting fee paid to Independent Directors and Women Directors, shall not be less than the sitting fee payable to other directors.

2.3.3. Limit of Remuneration / Commission

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 11% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

2.3.4. Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Company forming part of GMR Group has adopted the CSR Policy of GMR Group (the Group). GMR Group recognizes that its business activities have wide impact on the societies in which it operates and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations.

The Company is driven by Group's vision to make a difference, specifically to society by contributing to the economic development of the country and improving the quality of life of the local communities. Towards this vision, the Group including the Company, through GMR Varalakshmi Foundation (GMRVF), partners with the communities around the businesses to drive various initiatives in the areas of education, health, hygiene, sanitation, empowerment, livelihood and community development.

Projects / Activities / Programmes proposed to be undertaken under CSR Policy

The Company will carry out its CSR activities on its own or contribute funds to GMRVF or any other eligible implementing agency, to carry on activities / multiyear projects or programmes indicated below. While the geographic focus of the CSR activities can be in and around the business operational area, the Company can support activities in any part of India, as per the Annual Action Plan, approved by the CSR Committee and the Board:

i) Education:

- Support for promotion of education of all kinds (school education, technical, higher, vocational and adult education), to all ages and in various forms, with a focus on vulnerable and under- privileged;
- Education for girl child and the underprivileged by providing appropriate infrastructure and groom them as future citizens and contributing members of society;

ii) Health, Hygiene and Sanitation:

- Ambulance services, mobile medical units, health awareness programmes and camps, medical check-ups, HIV/AIDS awareness initiatives, health care facilities and services, sanitation facilities;
- Eradicating hunger, poverty and malnutrition, promotion of preventive health care and sanitation, and making available safe drinking water;
- Reducing child mortality and improving maternal health;

iii) Empowerment & Livelihoods:

- Employment enhancing vocational skills training, marketing support and other initiatives for youth, women, elderly, rural population and the differently abled, and livelihood enhancement projects;
- Promoting gender equality, empowering women, working for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Assist in skill development by providing direction and technical expertise for empowerment;

iv) Community Development:

- Encouraging youth and children to form clubs and participate in community development activities such as like cleanliness drives, plantation drives etc.

v) Environmental sustainability:

- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

vi) Heritage and Culture:

- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

vii) Benefit to Armed Forces:

- Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

viii) Sports:

- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;

ix) Contribution to Funds set up by Government:

- Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief, and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women;

x) Contribution towards Science and Technology:

- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or the State Government or any agency or Public Sector Undertaking of Central Government or State Government;
- Contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

xi) Rural development projects;

xii) Slum Area Development:

- [The term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force]

xiii) Disaster management:

- Disaster Management, including relief, rehabilitation and reconstruction activities.

xiv) Such other activities included in Schedule VII of the Companies Act, 2013 as may be identified by CSR Committee from time to time, which are not expressly prohibited.

It may be noted that the above activities are indicative and are activities that the Company may at any point of time engages but all such activities may not be taken up by the

Company during the financial year. While the activities undertaken in pursuance of the CSR policy must be relatable to Schedule VII of the Companies Act 2013, the entries in the said Schedule VII must be interpreted liberally so as to capture the essence of the subjects enumerated in the said Schedule. The items enlisted in the amended Schedule VII, are broad-based and are intended to cover a wide range of activities.

The expenditure incurred for the following activities shall not be treated as CSR activity by the Company:

- (i) Activities undertaken in pursuance of the normal course of business;
- (ii) Activities undertaken outside India (except for training of Indian sports personnel representing any state or union territory at national level or India at international level);
- (iii) Contribution to political parties;
- (iv) Activities that benefit exclusively the employees of the Company;
- (v) Activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services;
- (vi) Expenses incurred by the Company for the fulfillment of any Act / Statute of regulations (such as Labour Laws, Environmental Laws, Land Acquisition Act etc.);

Surplus from CSR Activities

Any surplus arising out of the CSR activity shall:

- (i) not form part of business profits of the Company;
- (ii) should be ploughed back into the same project from which it has generated or shall be transferred to Unspent CSR Account of the Company, maintained separately for such surplus;
- (iii) Should be spent within 3 years from the date of such transfer to the Unspent CSR Account or transfer to a Fund specified in Schedule VII within a period of 6 months from the expiry of the financial year as decided by the CSR Committee and as per the Annual Action plan of the Company;
- (iv) Should not form part of Excess amount available for set-off with CSR obligation in immediately succeeding financial years.

Monitoring of CSR Activities

At the beginning of each financial year, the CSR Committee of the Board will prepare a list of CSR Projects/ Activities / Programmes which the Company proposes to undertake during such financial year, specifying the modalities of execution in the areas / sectors chosen with implementation schedules for approval of the Board.

The CSR Committee of the Board will devise a mechanism for various CSR Projects / Programs / Activities undertaken by the Company including conduct of impact studies of CSR Projects / Programs on a periodic basis, through independent third-party agencies according to the CSR Rules.

The CSR Committee will convene a meeting at least once in every year to approve and review the progress of CSR projects and monitor, review and evaluate the operations of the CSR Programmes at such frequency as it may deem fit to ensure orderly and efficient implementation of the CSR Programmes in accordance with the CSR Policy. The composition of CSR committee, the CSR Policy and Projects approved by the Board will be uploaded on the Company's/group's website so that it is available in the public domain.

The Company's approach to the above CSR activities or projects will also be based on partnership with the Government or like-minded not for profit organisations, agencies, etc.

The Company may carry out an impact assessment to know the results of its CSR activities being undertaken by the Company and review periodically to identify and assess the gaps, if any, in the approach and attend to mid-course corrections.

Annual Action Plan

The CSR activities can be undertaken either specific for one year or can undertake multi-year projects. The Committee in every financial year, will recommend an Annual Action Plan to the Board. This Annual Action plan will detail the following:

- (a) The list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) The manner of execution of such projects or programs;
- (c) The modalities of utilization of funds and implementation schedules for the projects or programs;
- (d) Monitoring and reporting mechanism for the projects or programs;
- (e) Details of need and impact assessment, if any, for the projects undertaken by the Company: Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

Amendment

Any amendment or modification in the Companies Act, 2013 and any other applicable regulations relating to the CSR provisions / Policy shall automatically be applicable to the Company.

ANNUAL REPORT ON CSR ACTIVITIES**Annual Report on Corporate Social Responsibility (CSR)**

The Company has constituted Corporate Social Responsibility Committee (CSR) pursuant to provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

1. A brief outline of the Company’s CSR policy: Annexure-III**2. Composition of CSR Committee**

| S.no. | Name of director | Designation/ Nature of directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|-------|----------------------------|--|--|--|
| 1 | Mr. Subodh Kumar Goel* | Independent Non-Executive Director | 1 | NA |
| 2 | Mr. Ashis Basu | Non-Executive Director | 1 | 0 |
| 3 | Mr. Nikhil Dujari# | Non-Executive Director | 1 | 1 |
| 4 | Mr. R.S.S.L.N Bhasakarudu@ | Independent Non-Executive Director | 1 | 1 |
| 5 | Mr. Nirjhar Sarkar\$ | Non-Executive Director | 1 | NA |

*appointed as member w.e.f. January 10, 2022, #appointed as member w.e.f. June 21, 2021, @resigned w.e.f. August 24, 2021 and \$resigned w.e.f. June 21, 2021.

3. Provide the Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: The company related information can be accessed through www.gmrgroup.in
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule (7) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not applicable

| S.no. | Financial Year | Amount available for set-off from preceding financial years (in Rs.) | Amount required to be set-off for the financial year, if any (in Rs.) |
|-------|----------------|--|---|
| | NIL | NIL | NIL |
| | TOTAL | | |

6. Average Net Profit of the Company as per Section 135(5): The company has incurred losses in past three years

7. (a) Two percent of average net profit of the Company as per Section 135(5): NA
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 (c) Amount required to be set off for the financial year, if any: NIL
 (d) Total CSR obligation for the financial year (7a+7b-7c): NIL
8. (a) CSR amount spent or unspent for the financial year: NIL

| Total amount spent for the financial year | Amount Unspent (in Rs.) | | | | |
|---|--|-------------------|--|---------|-------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount. | Date of transfer. | Name of the Fund | Amount. | Date of transfer. |
| NIL | NIL | NIL | NIL | NIL | NIL |

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

| Sl. No. | Name of the Project. | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No). | Location of the project | | Project duration. | Amount allocated for the project (in Rs.). | Amount spent in the current financial Year (in Rs.). | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.). | Mode of Implementation - Direct (Yes/No). | Mode of Implementation-Through Implementing agency | |
|---------|----------------------|---|----------------------|-------------------------|----------|-------------------|--|--|---|---|--|--------------|
| | | | | State | District | | | | | | name | CSR Regn no. |
| 1 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 | Total | - | - | - | - | - | - | - | - | - | - | - |

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

| S.no. | Name of the project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No). | Location of the project. | | Amount spent for the project (in Rs.) | Mode of implementation – Direct (Yes/No). | Mode of implementation – Through implementing agency. | | |
|-------|---------------------|---|----------------------|--------------------------|----------|---------------------------------------|---|---|-------------------------|--|
| | | | | State | District | | | Name | CSR registration number | |
| | | | | | | | | | | |
| 1 | - | - | - | - | - | - | - | - | - | |
| 2 | Total | - | - | - | - | - | - | - | - | |

(d) Amount spent in Administrative overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): NIL

(g) Excess amount for Set off, if any: NIL

| S.no. | Particular | Amount (in Rs.) |
|-------|---|---------------------------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | NA (Losses in past three years) |
| (ii) | Total amount spent for the Financial Year | NIL |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | NIL |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | NIL |

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

| S.no. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 | Amount spent in the reporting Financial Year (in Rs.). | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial |
|-------|---------------------------|---|--|--|--------|------------------|--|
| | | | | Name of the fund | Amount | Date of transfer | |

| | | | | | | | |
|---|-------|-----------------|---|---|---|---|--------------------|
| | | (6) (in Rs.) | | | | | years. (in Rs.) |
| 1 | - | - | - | - | - | - | - |
| | Total | - | - | - | - | - | - |

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

| S.no. | Project ID | Name of the project | Financial year in which the project was commenced | Project duration | Total amount allocated for the project (in Rs.) | Amount spent on the project in the reporting Financial Year (in Rs.) | Cumulative amount spent at the end of reporting Financial Year. (in Rs.) | Status of the project - Completed /Ongoing. |
|-------|------------|---------------------|---|------------------|---|--|--|---|
| 1 | - | - | - | - | - | - | - | - |
| 2 | Total | - | - | - | - | - | - | - |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NIL (asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): NIL

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

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

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA.

There was no mandatory requirement for spending CSR during the F.Y. 2021-22 as per the requirement of Companies Act, 2013 on the activities list out in Schedule VII of the Companies Act, 2013.

For **GMR Generation Assets Limited**

Nikhil Dujari
Director
DIN: 07684905

Mr. Subodh Kumar Goel
Chairperson of CSR Committee Meeting
DIN: 00492659

Date: July 19, 2022

**FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Member,

GMR Generation Assets Limited

701, 7th Floor, Naman Centre,

Plot No. C-31, Bandra Kurla Complex, Bandra East,

Mumbai – 400051, Maharashtra, India

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year **ended on March 31, 2022**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

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

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Secretarial Standards (SS-1 and SS-2) issue by the Institute of Company Secretaries of India.
3. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
4. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
 - a. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfers Agents) Regulations, 1993;
6. Other laws as may be applicable specifically to the Company, in respect of which the Company has internal system of obtaining periodical certificates declaring the due compliances for the consideration of the Board, copy of which has been provided to us. On the basis of the reliance over the periodic certificate towards due compliances of other applicable laws, the management is of the view that no further verification is required and hence no comments are offered.

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

However, the following Acts, Rules, regulations Guidelines, Agreement(s), required to be reported as per the prescribed format are not applicable to the company during the audit period since the securities of the Company are not listed or there are no transaction(s) under the Act during the year under review, as the case may be:

1. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
2. The Listing Agreements including Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchange(s)
3. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We further report that the Compliance by the Company with applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory auditors and other designated professionals.

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

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

All decisions at Board Meetings are carried out by unanimously/majority as recorded in the minutes of the meetings of the Board of Directors.

We further report that based on the statutory compliance certificates taken on record by the Board of Directors at the board meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that pursuant to scheme of arrangement amongst GMR Power Infra Limited ("GPIL"), GMR Infrastructure Limited ("GIL") and GMR Power and Urban Infra

Limited ("GPUIL") and their respective shareholders ("Scheme"), with appointed date of April 01, 2021, effectuating the merger of GPIL into GIL and the demerger of non-airport business (demerged undertaking) of GIL into GPUIL, equity shareholding of GIL in the Company alongwith loans granted by it shall get transferred to GPUIL and the Company, which was subsidiary of GIL, has now become the subsidiary of GPUIL w.e.f. December 31, 2021.

**For Arunesh Dubey & Co.
Company Secretaries**

**Name: Arunesh Kumar Dubey
FCS: 7721
CP No: 14054
PR No: 815/2020
UDIN: F007721D000617121**

Date: 13/07/2022

Place: New Delhi

Note:

- 1. This report is to be read with our letter of Even date which is annexed as Annexure- A as an integral part of this report.**

To,
The Members
GMR GENERATION ASSETS LIMITED

Our report of Even date is to be read along with this supplementary testimony.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, the company had followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Arunesh Dubey & Co.
Company Secretaries

Name: Arunesh Kumar Dubey
FCS: 7721
CP No: 14054
PR No: 815/2020
UDIN: F007721D000617121

Date: 13/07/2022
Place: New Delhi

Annexure VI

Information of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for FY 2021-22

i. Employed for the financial year with an average salary of Rs. 1.02 crore per annum and above.
Nil

ii. Details of top ten employees in terms of remuneration

| Name | Designation | Remuneration received (Rs.) | Nature of Employment Contractual or Permanent | Qualification and Experience (in years) | Date of joining | Age | Particulars of last employment | Equity Share held by the employee in the Company | Relative of any director or manager of the Company, if any. |
|----------------------------|-------------------------------------|-----------------------------|---|--|-----------------|-----|--------------------------------|--|---|
| Mr. Atul Aggarwal | Associate General Manager - Finance | 39,18,428 | Permanent | CA 19 years | 07.04.2015 | 40 | RRB Energy Limited | Nil | N.A. |
| Mr. Manoj Kumar Aggrawal * | Associate General Manager - F&A | 23,52,428 | Permanent | ICWA 20 years | 07.12.2015 | 50 | Jaypee Infratech Ltd. | Nil | N.A. |
| Ms. Madhvi Sharma | Manager - Secretarial | 14,59,883 | Permanent | B.Com (Hons.), M.Com and CS 14 years | 21.06.2021 | 39 | Plasser India Private Limited | Nil | N.A. |

*Resigned w.e.f. 15.09.2021

iii. Employees who are employed for a part of the year and drawing remuneration of Rs.8.5 Lakh or more per month. Nil

**For and on behalf of the Board of Directors of
GMR Generation Assets Limited**

Nikhil Dujari
Director
DIN: 07684905

Ashis Basu
Director
DIN: 01872233

Date: July 19, 2022
Place: New Shakti Bhawan Complex,
Opposite Terminal 3, IGI Airport,
New Delhi-110037

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GMR GENERATION ASSETS LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **GMR Generation Assets Limited** (the “Company”), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including other Comprehensive income) the Statement of Changes in Equity and the Statement of cash flows and for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (Herein after referred to as “Ind AS financial statements”).

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31st2022, its profit including other comprehensive income, its cash flow and the change in equity for the year ended on that date.

Emphasis of Matter

1. Material Uncertainty Relating to Going Concern :

We draw attention to Note 2(a) to the accompanying Ind AS financial statements as at March 31, 2022, which indicate that the Company has accumulated losses of Rs.2,608.01 crores and its net worth has been fully eroded and as at the yearend it is negative by Rs.639.58 crores, the Company has incurred cash losses during the current and previous years and the Company’s current liabilities exceeded its current assets by Rs.268.91 crores as at March 31, 2022. Further as detailed in Note 2(a) to the accompanying Ind AS financial statements, the Company is dependent on the parent company to provide support to meet its operational expenditure and repay its liabilities. These events or conditions, along as set forth in the aforesaid note indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern.



2. We draw attention to Note 35 B to the standalone financial statements for the year ended March 31, 2022, wherein it is described the uncertainty in the matter relating to claims / counter claims filed by the merged entity namely GMR Power Corporation Limited, and Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) being sub-judice before the Honorable Supreme Court of India & before APTEL, and not attained finality. The Company has not recognized the liability in respect of TANGEDCO Claims nor recognized company's claims against TANGEDCO.

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

Basis of opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of 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 ICAI's 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 standalone financial statements.

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

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

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

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



Responsibility of Management for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one



resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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 statement of Other Comprehensive Income, the Cash Flow Statement and the statement of changes in equity dealt with by this Reports are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rules, 2015 as amended.
 - (e) On the basis of written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B” to this report.
 - (g) with respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its managerial personnel during the year and accordingly reporting in accordance with the requirements of Section 197(16) of the Act is not required;
 - (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the details and impact of pending litigations on the financial position of the company in its financial statements. – Refer Note 35 to the 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.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



iv. A. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity (ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries:

B. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

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

v. During the year, the Company, neither declared nor paid any dividend. Hence reporting on compliance with provisions of section 123 of the Act does not arise.

For **PHANIBHUSHAN & CO**
Chartered Accountants
Firm’s registration number: 012481S

M.PHANI BHUSHAN KUMAR
Partner
Membership number: 223397

Date: 18th April 2022
Place: Hyderabad
UDIN: 22223397AHLLFP4974



" Annexure A" to the Independent Auditors' Report referred to in clause 1 of paragraph on the 'Report on Other Legal and Regulatory Requirements" of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

Re: GMR Generation Assets Limited

- I. In respect of the Company's Tangible assets & Intangible assets:
- i. The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, plant & equipment and the intangible assets held by the company during the year.
 - ii. The Company has a program of verification to cover all the items of Property, plant & equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Company has carried out physical verification of assets during the previous year and no discrepancies have been noticed on such verification.
 - iii. *In our opinion and according to the information and explanations given to us, the title deeds of the Property at BKC Mumbai amounting to Rs.44 crores which is included in Buildings in the financial statements are not in the name of the Company. We have been informed that for want of certain clearances, the same is not yet registered in the name of the Company.*
 - iv. There is no revaluation done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year.
 - v. There are no proceedings that 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.
- II. In respect of details of Company's Inventory & Working capital:
- i. The nature of company's operation does not warrant holding of any inventory. Accordingly, paragraph 3(ii) of the order is not applicable to the company.
 - ii. The company, during any point of time of the year, 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.



III. a. According to the information and explanations given to us, the Company has made investment in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties as mentioned in note number 28 and 29 of the financial statements. The details of the same are given below :

| Particulars | Guarantees | Security | Loans | Advances in nature of loans |
|---|--|----------|-----------|-----------------------------|
| Aggregate amount during the year Subsidiaries/Fellow Subsidiaries | The company has given corporate guarantee in respect of Term loans from lenders by GMR Rajahmundry energy Ltd. | | 85.23 Cr | |
| Balance outstanding as at balance sheet date Subsidiaries/ fellow Subsidiaries | | | 372.54 Cr | |

- b. The investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.
- c. In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular wherever applicable.
- d. According to the information and explanations given to us, there is no amount which is overdue for more than 90 days in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- e. The Company has granted loan(s) or advance(s) in the nature of loan(s) which had fallen due during the year and such loans or advances in the nature of loans were renewed/extended during the year. The details of the same has been given below:



| Name of the party | Nature of loan | Total loan amount | Nature of extension (i.e. renewed/ extended/fresh loan provided) | Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans | Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year |
|-----------------------------------|----------------|-------------------|--|--|---|
| GMR LONDA HYDROPOWER PVT LTD | Loan | 17.42 | Extended | 17.42 | 81.55 |
| GMR VEMAGIRI POWER GENERATION LTD | Loan | 3.94 | Extended | 3,94 | 18.45 |

f. During the year, the Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

g. During the year, the Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

IV. In our opinion and according to the information and explanation given to us the company has not granted any loan, made any investments, gave any guarantee or provided security in connection with a loan to any other body corporate or person in contravention of section 185 and 186 of the Companies Act, 2013.

V. According to the information and explanation given to us the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

VI. According to the information and explanation given to us the Central Government has not prescribed the maintenance of cost records under section 148 of the Companies Act, 2013 for the activities carried out by the Company, is not applicable as the plant is not operational for the entire year.



VII. In respect of Deposit of Statutory liabilities:

- a. In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, , duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

VIII. According to the information and explanations given to us and the records of the company examined by us we have not come across any instances of any transactions which are not recorded in the accounts that have been disclosed or surrendered before the tax authorities as income during the year in the tax assessments under the income tax act, 1961.

IX.

a. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that, the company has delayed in the repayment of loans taken from lender & interest thereof during the year. The principle and interest which are due and unpaid as at the end of the year are given below:

| Name of the entity to whom security/Loan/ Guarantee provided to: | Balance outstanding at the end of balance sheet date | Relation with the company | Whether schedule of repayment for Interest and Principal has been stipulated | State the amount of overdue for more than ninety days | Whether the said loan/ advance is granted to settle the overdue of existing loans by providing them with the renewed/ extended/ providing them with fresh loans |
|--|--|---------------------------|--|---|---|
| GMR LONDA HYDROPOWER PRIVATE LIMITED | 17.42 | Subsidiary | Yes | 17.42 | Extended Loan |
| GMR VEMAGIRI POWER GENERATION LIMITED | 3.94 | Joint Venture | Yes | 3.94 | Extended Loan |



- a) The company has not taken any loan from Government and the company has not issued any debentures during the year..
 - b) The company is not declared as willful defaulter by any bank or financial institution or any other lender.
 - c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
 - d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have been utilised for long term purposes.
 - e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates.
 - f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- X. a. According to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company
- b. According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- XI. a. During the course of examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have not come across any instance of fraud by the company or on the company by its officers or employees of the company during the year. Further there were no whistle blower complaints received during the year.
- b. No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.



- XII. In our opinion and according to the information and Explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the order is not applicable.
- XIII. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- XIV. The company has an adequate internal audit system to commensurate with the size and nature of its business and the reports of the Internal Auditors for the period under audit were considered.
- XV. According to the information and explanations given to us and the records of the Company examined by us, we are of the opinion that that the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 of the order is not applicable.
- XVI. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- XVII. The company has incurred any cash losses of Rs. 153.69 Crs in the financial year and of Rs. 105.65 Cr in the immediately preceding financial year.
- XVIII. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- XIX. We refer to the matter under the head Emphasis of Matter -1 in page 1 of our main audit report above, with regard to the material uncertainty on going concern assumption.



XX. According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according; reporting under clause (xx) of the Order is not applicable to the Company.

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

For **PHANIBHUSHAN & CO**
Chartered Accountants
Firm's registration number: 012481S

M.PHANI BHUSHAN KUMAR
Partner
Membership number: 223397

Date: 18th April 2022
Place: Hyderabad
UDIN: 22223397AHLLFP4974



Annexure B to Auditors' Report of even date

Report on the Internal Controls on Financial Reporting under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")

Re: GMR Generation Assets Limited

We have audited the internal financial controls over financial reporting of **GMR Generation Assets Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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, 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 31 March 2021, 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.

For **PHANIBHUSHAN & Co.**
Chartered Accountants
Firm Reg. No. 012481S

M Phani Bhushan Kumar
Partner.
Membership No: 223397

Place: Hyderabad
Date: 18th April 2022
Udin: 2223397AHLLFP4974

GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD.)
CIN- U40104MH2010PLC282702
Standalone Balance Sheet as at March 31, 2022

| Particulars | Notes | (Rs. in crore) | |
|--|-------|-----------------|-----------------|
| | | March 31, 2022 | March 31, 2021 |
| ASSETS | | | |
| Non-current assets | | | |
| Property plant and equipment | 3 | 0.18 | 0.21 |
| Right of use | 3.1 | 0.08 | 0.10 |
| Intangible assets | 5 | 5.46 | 6.05 |
| Financial assets | | | |
| Investment in associate and a joint venture | 6 | 454.37 | 711.63 |
| Loans | 9 | 372.55 | 0.03 |
| Other financial assets | 10 | 0.60 | - |
| Income tax asset | | 3.77 | 9.99 |
| Other non current assets | 11 | 0.07 | 0.67 |
| | | 837.08 | 728.68 |
| Current assets | | | |
| Trade receivables | 8 | 114.24 | 114.14 |
| Cash and cash equivalents | 14 | 17.03 | 0.22 |
| Loan | 15 | - | 725.68 |
| Other financial assets | 10 | 150.62 | 201.83 |
| Other current assets | 17 | 6.65 | 7.18 |
| | | 288.54 | 1,049.06 |
| Assets classified as held for disposal | | 57.31 | 59.59 |
| Total assets | | 1,182.93 | 1,837.33 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Share capital | 15 | 1,968.43 | 1,968.43 |
| Other equity | 16 | (2,608.01) | (2,682.90) |
| Equity attributable to equity holders of the parent | | -639.58 | -714.46 |
| | | -639.58 | -714.46 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Long term borrowings | 17 | 1,109.33 | 1,374.34 |
| Other financial liabilities | 19 | 92.19 | 9.24 |
| Provisions | 20 | 0.11 | 0.03 |
| | | 1,201.63 | 1,383.61 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Short term borrowings | 22 | 82.66 | 55.05 |
| Trade payables | 18 | - | - |
| (a) total outstanding dues of micro and small enterprises | | - | - |
| (b) total outstanding dues of other than micro and small enterprises | | 38.58 | 78.32 |
| Other financial liabilities | 19 | 81.12 | 83.00 |
| Provisions | 20 | 0.04 | 0.02 |
| Other current liabilities | 21 | 418.48 | 951.79 |
| | | 620.88 | 1,168.18 |
| Total liabilities | | 1,822.51 | 2,551.79 |
| Total equity and liabilities | | 1,182.93 | 1,837.33 |

Summary of significant accounting policies

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

As per our report of even date
For PHANIBHUSHAN & CO.
Chartered Accountants
ICAI Firm registration number: 012481S

For and on behalf of Board of Directors of
GMR GENERATION ASSETS LTD

M. PHANI BHUSHAN KUMAR
Partner
Membership No: 223397

NIKHIL DUJARI
DIRECTOR
DIN No.07684905

ASHIS BASU
DIRECTOR
DIN No.01872233


PAKVEEN AGARWAL
CHIEF FINANCIAL OFFICER
PAN : ACJPA8717D

CHIRAG BHAYAL
COMPANY SECRETARY
ACS : A45462

Place: HYDERABAD
Date: 18th April,2022

Place: DELHI
Date: 18th April,2022



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)
CIN- U40104MH2010PLC282702
Standalone statements of profit and loss for the year ended March 31, 2022

| Particulars | Notes | (Rs. in crore) | |
|--|-------|-----------------|-----------------|
| | | March 31, 2022 | March 31, 2021 |
| Continuing operations | | | |
| INCOME | | | |
| Revenue from operations | 23 | 1.61 | 0.76 |
| Other income | 25 | 60.49 | 73.98 |
| Total income | | 62.10 | 74.74 |
| EXPENSES | | | |
| Employee benefit expenses | 29 | 0.87 | 0.84 |
| Finance costs | 32 | 217.69 | 183.53 |
| Depreciation & amortisation expenses | 31 | 2.93 | 2.94 |
| Other expenses | 30 | 5.11 | 2.73 |
| Total expenses | | 226.60 | 190.03 |
| Profit/(loss) before exceptional items and tax from continuing operation | | (164.50) | (115.29) |
| Exceptional item | | (243.35) | 477.51 |
| Profit/(loss) before tax from continuing operation | | 78.85 | (592.80) |
| Adjustments of tax relating to earlier periods | | 4.00 | 0.10 |
| Total tax expenses | | 4.00 | 0.10 |
| Profit/(loss) after tax from continuing operations | | 74.85 | (592.89) |
| Profit/(loss) for the year/period (A) | | 74.85 | (592.89) |
| Total comprehensive income for the year/period, net of tax (A+B) | | 74.85 | (592.90) |
| Weighted average number of equity shares for basic EPS | | 196.84 | 196.84 |
| Earnings per equity share from continuing operations Basic and diluted, computed on the basis of profit from continuing operations attributable to equity holders (per equity share of Re 10 each) | | | |
| Basic | | 0.38 | (3.01) |
| Diluted | | 0.38 | (3.01) |

Summary of significant accounting policies

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


As per our report of even date
For PHANIBHUSHAN & CO.
Chartered Accountants
ICAI Firm registration number: 012481S

For and on behalf of Board of Directors of
GMR GENERATION ASSETS LTD

M. PHANI BHUSHAN KUMAR
Partner
Membership No: 223397

NIKHIL DUJARI
DIRECTOR
DIN No 07684905

ASHIS BASU
DIRECTOR
DIN No.01872233


PARVEEN AGARWAL
CHIEF FINANCIAL OFFICER
PAN : ACJPA8717D

CHIRAG BHAYAL
COMPANY SECRETARY
ACS : A45462

Place: HYDERABAD
Date: 18th April, 2022

Place: DELHI
Date: 18th April, 2022



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)
Cash Flow Statement as on March 31, 2022

| | (Rs. in crore) | |
|--|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES | | |
| Profit / (Loss) before tax from continuing operations | 78.85 | (592.89) |
| Profit / (loss) before income tax including discontinued operation | 78.85 | (592.89) |
| Adjustments to reconcile (loss) / profit before tax to net cash flows | | |
| Depreciation of property, plant and equipment, investment properties and amortization of intangible assets | 2.93 | 2.94 |
| Provision for diminution in value of investment | - | 293.39 |
| Bad debt written off | - | 0.01 |
| Net loss or fair valuation of investments | - | 0.01 |
| Fair value gain on financial instruments at fair value | - | (22.13) |
| Exchange differences (net) | - | 0.03 |
| Interest Expense | 217.69 | 183.53 |
| Interest Income | (60.41) | (51.79) |
| Unrealised exchange (gains) / losses | 0.01 | - |
| Operating profit before working capital changes | 239.07 | (186.90) |
| Movements in working capital : | | |
| Increase/(Decrease) in Trade receivables | (0.09) | 0.02 |
| Increase/(Decrease) in Other financial assets | 50.60 | 14.94 |
| Increase/(Decrease) in Other current assets | 0.52 | 80.51 |
| Increase/(Decrease) in Assets held for sale | 2.28 | - |
| Increase/(Decrease) in Trade payable | (39.74) | 72.79 |
| Increase/(Decrease) in Other current financial liabilities | 1.13 | (0.36) |
| Increase/(Decrease) in Provisions - current | 0.07 | (0.06) |
| Increase/(Decrease) in Other current liabilities | (537.26) | 386.55 |
| Cash generated from operations | (283.41) | 367.49 |
| Direct taxes paid | 6.21 | (15.63) |
| Net cash flow from operating activities (A) | (277.20) | 351.86 |
| CASH FLOW (USED IN) / FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment, intangible assets, investment properties and cost incurred towards such assets under construction / development | (1.68) | - |
| Sale / (purchase) of investments (net) | 610.39 | - |
| Loans (given to) / repaid by others | 0.03 | 401.77 |
| Interest income received | 60.41 | 118.50 |
| Net cash flow used in investing activities (B) | 669.15 | 520.27 |
| CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES | | |
| Proceeds from borrowings | (209.78) | (709.84) |
| Interest Expense paid | (165.37) | (162.71) |
| Net cash flow (used in) / from financing activities (C) | (375.15) | (872.55) |
| Net (decrease) / increase in cash and cash equivalents (A + B + C) | 16.80 | (0.42) |
| Cash and cash equivalents as at April 1, 2021 | 0.22 | 0.64 |
| Cash and cash equivalents as at March 31, 2022 | 17.03 | 0.22 |
| COMPONENTS OF CASH AND CASH EQUIVALENTS | | |
| Balances with banks: | | |
| - on current accounts | 0.30 | 0.18 |
| - Deposit Account | 16.73 | 0.04 |
| Total cash and cash equivalents | 17.03 | 0.22 |

Summary of significant accounting policies

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


As per our report of even date
For PHANIBHUSHAN & CO.
Chartered Accountants
ICAI Firm registration number: 0124815

For and on behalf of Board of Directors of
GMR GENERATION ASSETS LTD

M. PHANI BHUSHAN KUMAR
Partner
Membership No: 223397

NIKHIL DUJARI
DIRECTOR
DIN No 07684905

ASHIS BASU
DIRECTOR
DIN No 01872233


PARVEEN AGARWAL
CHIEF FINANCIAL OFFICER
PAN : ACJPA8717D

CHIRAG BHAYAL
COMPANY SECRETARY
ACS : A45462

Place: HYDERABAD
Date: 18th April, 2022

Place: DELHI
Date: 18th April, 2022



Statement of standalone assets and liabilities

(Rs. in crore)

| Particulars | As at March 31, 2022 (Audited) | As at March 31, 2021 (Audited) |
|---|-----------------------------------|-----------------------------------|
| 1 ASSETS | | |
| a) Non-current assets | | |
| Property, plant and equipment | 0.18 | 0.21 |
| Right of use | 0.08 | 0.10 |
| Intangible assets | 5.46 | 6.05 |
| Investment in subsidiaries, associate and a joint venture | 454.37 | 711.63 |
| Financial assets | | |
| Loans | 372.55 | 0.03 |
| Other financial assets | 0.60 | - |
| Current tax assets (net) | 3.77 | 9.99 |
| Other non-current assets | 0.07 | 0.67 |
| | 837.08 | 728.68 |
| b) Current assets | | |
| Trade receivables | 114.24 | 114.14 |
| Cash and cash equivalents | 17.03 | 0.22 |
| Loans | - | 725.68 |
| Other financial assets | 150.62 | 201.83 |
| Other current assets | 6.65 | 7.18 |
| | 288.54 | 1,049.06 |
| Assets classified as held for disposal | 57.31 | 59.59 |
| TOTAL ASSETS (a+b) | 1,182.93 | 1,837.33 |
| 2 EQUITY AND LIABILITIES | | |
| a) Equity | | |
| Equity share capital | 1,968.43 | 1,968.43 |
| Other equity | (2,608.01) | (2,682.90) |
| Equity attributable to equity holders of the parent | (639.58) | (714.46) |
| Non-controlling interests | - | - |
| Total equity | (639.58) | (714.46) |
| b) Non-current liabilities | | |
| Financial liabilities | | |
| Long term borrowings | 1,109.33 | 1,374.34 |
| Other financial liabilities | 92.19 | 9.24 |
| Provisions | 0.11 | 0.03 |
| Deferred tax liabilities (net) | 0.00 | 0.00 |
| | 1,201.63 | 1,383.61 |
| c) Current liabilities | | |
| Financial liabilities | | |
| Short term borrowings | 82.66 | 55.05 |
| Trade payables | 38.58 | 78.32 |
| Other current financial liabilities | 81.12 | 83.00 |
| Provisions | 0.04 | 0.02 |
| Other current liabilities | 418.48 | 951.79 |
| Liabilities for current tax (net) | - | - |
| | 620.88 | 1,168.18 |
| TOTAL EQUITY AND LIABILITIES (a+b+c) | 1,182.93 | 1,837.33 |

Summary of significant accounting policies

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

As per our report of even date
For PHANIBHUSHAN & CO
Chartered Accountants
ICAI Firm registration number: 0124815

For and on behalf of Board of Directors of
GMR GENERATION ASSETS LTD

M PHANI BHUSHAN KUMAR
Partner
Membership No: 223397

NIKHIL DUJARI
DIRECTOR
DIN No.07684905

ASHIS BASU
DIRECTOR
DIN No.01872233

PARVEEN AGARWAL
CHIEF FINANCIAL OFFICER
PAN : ACJPA8717D

CHIRAG BHAYAL
COMPANY SECRETARY
ACS : A45462

Place: HYDERABAD
Date: 18th April,2022

Place: DELHI
Date: 18th April,2022



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)
CIN- U40104MH2010PLC282702

(Rs. in crore)

| Part I | | | | | | |
|--|--|-----------------|-------------------|-----------------|-----------------|-----------------|
| Statement of Audited standalone financial results for Quarter and Twelve months ended March 31, 2022 | | | | | | |
| | Particulars | Quarter ended | | | Year ended | |
| | | March 31, 2022 | December 31, 2021 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| | | Unaudited | Unaudited | Unaudited | Audited | Audited |
| A | Continuing Operations | | | | | |
| 1 | Revenue | | | | | |
| | a) Revenue from operations | | | | | |
| | i) Sales/income from operations | 0.18 | 0.68 | 0.09 | 1.61 | 0.76 |
| | b) Other income | | | | | |
| | ii) Other income - others | 9.39 | 17.32 | 14.19 | 60.49 | 73.98 |
| | Total revenue | 9.57 | 18.00 | 14.28 | 62.10 | 74.74 |
| 2 | Expenses | | | | | |
| | (i) Employee benefits expense | 0.16 | 0.26 | 0.19 | 0.87 | 0.84 |
| | (j) Depreciation and amortisation expenses | 0.74 | 0.73 | 0.73 | 2.93 | 2.94 |
| | (m) Finance costs | 52.92 | 61.94 | 41.45 | 217.69 | 183.53 |
| | (o) Foreign exchange fluctuation loss (net) | - | 0.00 | - | 0.01 | 0.03 |
| | (p) Other expenses | (0.11) | 0.51 | 0.61 | 5.10 | 2.70 |
| | Total expenses | 54.71 | 63.43 | 42.97 | 226.60 | 190.03 |
| 3 | Profit/(loss) from continuing operations before exceptional items and tax expense (1-2) | (45.14) | (45.43) | (28.69) | (164.50) | (115.29) |
| 4 | Exceptional items | 259.42 | 15.68 | 472.54 | (243.35) | 477.51 |
| 5 | Profit/(loss) from continuing operations before tax expenses (3 ± 4) | (304.55) | (61.11) | (501.23) | 78.85 | (592.80) |
| 6 | Tax expenses of continuing operations | - | - | - | 4.00 | 0.10 |
| 7 | Profit/(loss) after tax from continuing operations (5 ± 6) | (304.55) | (61.11) | (501.23) | 74.85 | (592.89) |
| 11 | Profit/(loss) after tax for respective periods (7 + 10) | (304.55) | (61.11) | (501.23) | 74.85 | (592.89) |
| 12 | Other Comprehensive Income | | | | | |
| | (A) (i) Items that will not be reclassified to profit or loss | - | - | 0.02 | - | (0.02) |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | - | - | 0.01 | - | 0.01 |
| 13 | Total other comprehensive income, net of tax for the respective periods | - | - | 0.01 | - | (0.03) |
| 14 | Total comprehensive income for the respective periods (11 ± 13) [comprising Profit (loss) and Other comprehensive income (net of tax) for the respective periods] | (304.55) | (61.11) | (501.22) | 74.85 | (592.93) |
| 16 | Paid-up equity share capital (face value Rs 10 per share) | 1,968.43 | 1,968.43 | 1,968.43 | 1,968.43 | 1,968.43 |
| 17 | Weighted average number of shares used in computing Earnings per share | 196.84 | 196.84 | 196.84 | 196.84 | 196.84 |
| 18 | Earnings per equity share | | | | | |
| | i) Basic & diluted EPS | (1.55) | (0.31) | (2.55) | 0.38 | (3.01) |
| | ii) Basic & diluted EPS from continuing operations | (1.55) | (0.31) | (2.55) | 0.38 | (3.01) |

Summary of significant accounting policies

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


As per our report of even date
For PHANIBHUSHAN & CO
Chartered Accountants
ICAI Firm registration number: 0124815

For and on behalf of Board of Directors of
GMR GENERATION ASSETS LTD

M. PHANI BHUSHAN
Partner
Membership No: 223397

NIKHIL DUJARI
DIRECTOR
DIN No. 07684905

ASHIS BASU
DIRECTOR
DIN No 01872233


PARVEEN AGARWAL
CHIEF FINANCIAL OFFICER
PAN : ACJPA8717D

CHIRAG BHAYAL
COMPANY SECRETARY
ACS : A45462

Place: HYDERABAD
Date: 18th April, 2022

Place: DELHI
Date: 18th April, 2022



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)
CIN- U40104MH2010PLC282702

Notes to the standalone financial statements for the year ended March 31, 2022
Statement of changes in equity

| | Notes | Attributable to the equity holders | | | | | | Total equity |
|---|-------|------------------------------------|--|---|--------------------|-----------------|-------------------|--------------|
| | | Equity share capital | Equity component of compound financial instruments | Share application money pending allotment (refer note 18) | Securities premium | General reserve | Retained earnings | |
| Balance as at April 1, 2020 | | 6,323.25 | 650.97 | 753.08 | 5.70 | 24.99 | (7,819.13) | (61.21) |
| Profit/ (loss) during the period/year | | - | - | - | - | - | (592.89) | (592.89) |
| Total comprehensive income for the period/year | | - | (622.44) | - | - | - | (592.89) | (592.90) |
| Amount transferred to retained earnings | | - | - | - | - | 622.44 | - | - |
| Adjustment during the year | | - | - | (753.08) | - | - | - | (753.08) |
| Balance as at March 31, 2021 | | 6,323.25 | 28.53 | (0.00) | 5.70 | 24.99 | (2,742.10) | (0.06) |
| Opening balance | | 1,968.43 | 28.53 | (0.00) | 5.70 | 24.99 | (2,742.10) | (0.03) |
| Profit/ (loss) during the period/year | | - | - | - | - | - | 74.85 | - |
| Total comprehensive income for the period/year | | - | - | - | - | - | 74.85 | - |
| Adjustment in retained earnings | | - | - | - | - | - | 0.05 | - |
| Balance as at year/period ended, March 31, 2022 | | 1,968.43 | 28.53 | (0.00) | 5.70 | 24.99 | (2,667.20) | (0.03) |

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

As per our report of even date
For PHANIBHUSHAN & CO.
Chartered Accountants

ICAI Firm registration number: 012481S

For and on behalf of Board of Directors of
GMR GENERATION ASSETS LTD

M. PHANI BHUSHAN KUMAR
Partner
Membership No: 223397

NIKHIL DUJARI
DIRECTOR
DIN No 07684905



FARVEEN AGARWAL
CHIEF FINANCIAL OFFICER
PAN : ACJPA8717D

ASHIS BASU
DIRECTOR
DIN No 01872233

CHIRAG BHAYAL
COMPANY SECRETARY
ACS : A45462



Place: HYDERABAD
Date: 18th April, 2022

Place: DELHI
Date: 18th April, 2022

GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

CIN- U40104MH2010PLC282702

Notes to the standalone financial statements for the period ended March 31, 2022

3.1 Right of use

| | Right of use | (Rs. in crore) |
|---------------------------------|--------------|----------------|
| Particulars | Land | Total |
| Gross block | | |
| At cost/deemed cost | | |
| As at April 1, 2020 | 0.13 | 0.13 |
| As at , March 31, 2021 | 0.13 | 0.13 |
| Opening | 0.13 | 0.13 |
| As at , March 31, 2022 | 0.13 | 0.13 |
| Accumulated depreciation | | |
| At cost/deemed cost | | |
| As at April 1, 2020 | 0.03 | 0.03 |
| As at , March 31, 2021 | 0.03 | 0.03 |
| Opening | 0.03 | 0.03 |
| Charge for the year | 0.02 | 0.02 |
| As at , March 31, 2022 | 0.05 | 0.05 |
| Net block | | |
| As at April 1, 2020 | 0.10 | 0.10 |
| As at , March 31, 2021 | 0.10 | 0.10 |
| As at , March 31, 2022 | 0.08 | 0.08 |



Standalone summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

Note -

New disclosures as per the requirements of Division II of Schedule III to the Act

A Ageing schedule of capital work-in-progress

| (₹ in Crores) | | | | | |
|--------------------------------|------------------|-----------|----------------|-------------------|-------|
| As at 31 March 2022 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | | | Not Applicable | | |
| Projects temporarily suspended | | | Not Applicable | | |
| (₹ in Crores) | | | | | |
| As at 31 March 2021 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | | | Not Applicable | | |
| Projects temporarily suspended | | | Not Applicable | | |

A1 Completion schedule of capital work-in-progress

| (₹ in Crores) | | | | | |
|----------------------------------|--------------------|-----------|----------------|-------------------|-------|
| As at 31 March 2022 | To be completed in | | | | Total |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project 1 - Temporary Suspension | | | Not Applicable | | |
| Project - 1 Others | | | Not Applicable | | |
| Project 2 - Temporary Suspension | | | Not Applicable | | |
| Project - 2 Others | | | Not Applicable | | |
| (₹ in Crores) | | | | | |
| As at 31 March 2021 | To be completed in | | | | Total |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project 1 - Temporary Suspension | | | Not Applicable | | |
| Project - 1 Others | | | Not Applicable | | |
| Project 2 - Temporary Suspension | | | Not Applicable | | |
| Project - 2 Others | | | Not Applicable | | |

A2 Ageing schedule of intangible assets under development

| (₹ in Crores) | | | | | |
|--------------------------------|------------------|-----------|----------------|-------------------|-------|
| As at 31 March 2022 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | | | Not Applicable | | |
| Projects temporarily suspended | | | Not Applicable | | |
| (₹ in Crores) | | | | | |
| As at 31 March 2021 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | | | Not Applicable | | |
| Projects temporarily suspended | | | Not Applicable | | |

A3 Completion schedule of intangible assets under development

| (₹ in Crores) | | | | | |
|----------------------------------|--------------------|-----------|----------------|-------------------|-------|
| As at 31 March 2022 | To be completed in | | | | Total |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project 1 - Temporary Suspension | | | Not Applicable | | |
| Project - 1 Others | | | Not Applicable | | |
| Project 2 - Temporary Suspension | | | Not Applicable | | |
| Project - 2 Others | | | Not Applicable | | |
| (₹ in Crores) | | | | | |
| As at 31 March 2021 | To be completed in | | | | Total |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project 1 - Temporary Suspension | | | Not Applicable | | |
| Project - 1 Others | | | Not Applicable | | |
| Project 2 - Temporary Suspension | | | Not Applicable | | |
| Project - 2 Others | | | Not Applicable | | |

B Ageing schedule of trade receivables

| As at 31 March 2022 | Outstanding from the due date of payment | | | | | | Total |
|---|--|--------------------|-------------------|-----------|-----------|-------------------|-------|
| | Not due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables – considered good | | | | N.A. | | | |
| Undisputed trade receivables – which have significant increase in credit risk | | | | N.A. | | | |
| Undisputed trade receivables – credit impaired | | | | N.A. | | | |
| Disputed trade receivables – considered good | | | | | | 114.18 | |
| Disputed trade receivables – which have significant increase in credit risk | | | | N.A. | | | |
| Disputed trade receivables – credit impaired | | | | N.A. | | | |



| As at 31 March 2021 | Outstanding from the due date of payment | | | | | | Total |
|---|--|--------------------|------------------|-----------|-----------|-------------------|--------|
| | Not due | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables – considered good | | | | N.A. | | | |
| Undisputed trade receivables – which have significant increase in credit risk | | | | N.A. | | | |
| Undisputed trade receivables – credit impaired | | | | N.A. | | | |
| Disputed trade receivables – considered good | Not Applicable | | | | | | 114.14 |
| Disputed trade receivables – which have significant increase in credit risk | | | | N.A. | | | |
| Disputed trade receivables – credit impaired | | | | N.A. | | | |

Similar Ageing for unbilled revenue (as provided for trade receivables)

| As at 31 March 2022 | Outstanding from the due date of payment | | | | | | Total |
|---|--|--------------------|------------------|-----------|-----------|-------------------|-------|
| | Not due | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables – considered good | 0.06 | | | | | | |
| Undisputed trade receivables – which have significant increase in credit risk | | | | N.A. | | | |
| Undisputed trade receivables – credit impaired | | | | N.A. | | | |
| Disputed trade receivables – considered good | | | | N.A. | | | |
| Disputed trade receivables – which have significant increase in credit risk | | | | N.A. | | | |
| Disputed trade receivables – credit impaired | | | | N.A. | | | |

C Ageing schedule of trade payables

| As at 31 March 2022 | Outstanding from the due date of payment | | | | Total |
|-------------------------------------|--|-----------|-----------|-------------------|---------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Micro, small and medium enterprises | | | | | |
| Others | 9.37 | (35.68) | 410.88 | (423.16) | (38.58) |
| Disputed dues – MSME | | | | | |
| Disputed dues – Others | | | | | |

| As at 31 March 2021 | Outstanding from the due date of payment | | | | Total |
|-------------------------------------|--|-----------|-----------|-------------------|---------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Micro, small and medium enterprises | | | | | |
| Others | (39.47) | 388.32 | 0.01 | (427.20) | (78.34) |
| Disputed dues – MSME | | | | | |
| Disputed dues – Others | | | | | |

Similar Ageing for unbilled payable (as provided for trade payables)

D Aging Schedule of Inter-Corporate Loan

| As at 31 March 2022 | Outstanding from the due date of payment | | | | Total |
|--|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| I_E6620 - GMR Airport Developers Limited | | | | 24.00 | 24.00 |
| GMR Infrastructure Limited/GMR Power Urban Infra Limited | (209.58) | 296.66 | 488.95 | | 576.03 |
| I_E2900 - GMR Energy Trading Limited | 18.70 | | | | 18.70 |

| As at 31 March 2021 | Outstanding from the due date of payment | | | | Total |
|--------------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| GMR Airport Developers Limited | | | | 24.00 | 24.00 |
| GMR Infrastructure Limited | 296.66 | 488.95 | | | 785.61 |
| GMR Energy Trading Limited | 4.00 | | | | 4.00 |



E. Non-Current Borrowings

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Secured | | |
| <i>At Amortised Cost</i> | | |
| Indian Rupee Term loans | | |
| - from banks [refer note (i) below] | 512.92 | 560.73 |
| Un-secured | | |
| Indian Rupee Term loans | | |
| - from banks [refer note (i) below] | | |
| - from others [refer note Loans taken from group company is interest bearing and the interest rate] | 618.73 | 813.61 |
| Total | 1,131.65 | 1,374.34 |
| The above amount includes | | |
| Secured borrowings | 512.92 | 560.73 |
| Unsecured borrowings | 618.73 | 813.61 |
| | 1,131.65 | 1,374.34 |

(i) Rupee Term Loan from banks

Nature of security

a. Rupee Term Loan - I [RTL-I]

The Company has taken two loans - Facility I, Facility II from Yes Bank Limited of Rs 350 cr and 250 cr respectively. Rate of interest is 11.20% and 11.10% respectively and both loans are repayable in 14 half year installments starting from March 2019, last installment payable in Sept 2025. Effective interest rate from 1 Sep 2019 is 11.9% and 11.8% respectively. These facilities are secured by exclusive charge over current assets and non movable fixed assets / ICD extended to GPCL out of YBL facility and unconditional and irrevocable Corporate guarantee from GIL. Further, the half yearly installments due for the month of March 2022 have not been paid by the Company.

(ii) Unsecured Loan from Other parties

Loans taken from group company is interest bearing and the interest rate varies from 12.25% to 12.50% [Refer related party transactions as per Note 28]

(iii) The Company has the following amounts that are due for payment towards RTL as on the balance sheet date *

| Particulars | | March 31, 2022 | March 31, 2021 |
|-----------------------------------|---------------|----------------|----------------|
| Principal Repayment of RTL** | Upto 30 days | 19.08 | 6.35 |
| Interest Accrued and Due on Loans | Upto 30 days | 5.40 | 5.60 |
| | 31 to 90 days | | 5.60 |
| Total | | 24.48 | 17.55 |

*- The Company confirms that it has not received any communication/notice from the bank demanding repayment of the loan on account of non payment of dues upto the date of signing of the financial statements.

** - The dues for payment towards RTL is based on the revised repayment schedule through electronic communication from the lender as referred in note (i) above.

Aging Schedule of Security Deposit

| As at 31 March 2022 | from the due date of payment | | | | Total |
|---------------------|------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| | | | | 0.60 | 0.60 |

| As at 31 March 2021 | from the due date of payment | | | | Total |
|---------------------|------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| | | | | 0.60 | 0.60 |

G Details of promoter shareholding

| Name of promoter* | As at 31 March 2022 | | | As at 31 March 2021 | | |
|--|---------------------|-------------------|--------------------------|---------------------|-------------------|--------------------------|
| | Number of shares | % of total shares | % Change during the year | Number of shares | % of total shares | % Change during the year |
| GMR Power & Urban Infra Ltd. | 1,617,295,554 | 82% | - | 1,617,295,554 | 82% | - |
| GMR Energy Projects (Mauritius) Limited | 57,167 | 0% | - | 57,167 | 0% | - |
| Dhruvi Securities Private Limited (Nominee of GIL) | 1 | 0% | | 1 | 0% | |
| GMR Business Process and Services Private Limited (Nominee of GIL) | 1 | 0% | | 1 | 0% | |
| GMR Corporate Affairs Private Limited (Nominee of GIL) | 1 | 0% | | 1 | 0% | |
| GMR Aerostructure Services Limited (Nominee of GIL) | 1 | 0% | | 1 | 0% | |
| Mr. Ashis Basu (Nominee of GIL) | 1 | 0% | | 1 | 0% | |
| Mr. Grandhi Mallikarjuna Rao | 910 | 0% | | 910 | 0% | |
| Mr. Srinivas Bommidala | 303 | 0% | | 303 | 0% | |
| Mr. Boda Venkata Nageswara Rao | 303 | 0% | | 303 | 0% | |
| Mrs. G. Varalakshmi | 303 | 0% | | 303 | 0% | |
| Mr. G.B.S. Raju | 303 | 0% | | 303 | 0% | |

* Promoters as defined under Companies Act



H End use of borrowings

(₹ in Crores)

| Name of Bank / Financial Institution | As at 31 March 2022 | | | As at 31 March 2021 | | |
|--------------------------------------|---------------------|----------------------|--|---------------------|----------------------|--|
| | Amount borrowed | Purpose of borrowing | Purpose for which amount has been used | Amount borrowed | Purpose of borrowing | Purpose for which amount has been used |
| | Not Applicable | | | Not Applicable | | |

I Title deeds of Immovable Properties not held in name of the Company

As at 31 March 2022

(₹ in Crores)

| Relevant line item in the 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** |
|---|---------------------------------|----------------------|---------------------------------|---|--------------------------------|--|
| PPE - | Land Building | 44.00 | GMR Energy Ltd. | | | **also indicate if in dispute |
| Investment property - | Land Building | | | N.A. | | |
| PPE retired from active use and held for disposal - | Land Building | | | N.A. | | |
| Others | | | | N.A. | | |

As at 31 March 2021

(₹ in Crores)

| Relevant line item in the 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** |
|---|---------------------------------|----------------------|---------------------------------|---|--------------------------------|--|
| PPE - | Land Building | 44.00 | GMR Energy Ltd. | | | **also indicate if in dispute |
| Investment property - | Land Building | | | N.A. | | |
| PPE retired from active use and held for disposal - | Land Building | | | N.A. | | |
| Others | | | | N.A. | | |

J Revaluation of Capital assets

Where the Company has revalued its Property, Plant and Equipment (including Right-of-Use Assets), the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

Where the company has revalued its intangible assets, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

The Company has not done revaluation of property, plant & equipment & intangible asset during the year.

K Loan or advances to Directors, Promoters, KMPs and related parties- either repayable on demand or without any terms of repayment

(₹ in Crores)

| Type of Borrower | As at 31 March 2022 | | As at 31 March 2021 | |
|------------------|---|---|---|---|
| | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
| Promoters | | | | |
| Directors | | | | |
| KMPs | | | | |
| Related Parties | 390.63 | 100% | 725.68 | 100% |

L Benami Property

(₹ in Crores)

| Particulars | 31-Mar-22 | 31-Mar-21 |
|--|----------------|----------------|
| (a) Details of such property, | Not Applicable | Not Applicable |
| (b) Amount thereof, | | |
| (c) Details of Beneficiaries, | | |
| (d) If property is in the books, then reference to the item in the Balance Sheet | | |
| (e) If property is not in the books, then the fact shall be stated with reasons, | | |
| (f) Where there are proceedings against the company under this law as an abettor of the transaction or as the transferor then the details shall be | | |
| (g) Nature of proceedings, status of same and company's view on same. | | |

O Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company has taken two loans - Facility I, Facility II from Yes Bank Limited of Rs 350 cr and 250 cr respectively. Rate of Interest is 11.20% and 11.10% respectively and both loans are repayable in 14 half year installments starting from March 2019. last Installment payable in March 2026. Effective interest rate from 1 April 2021 is 11.2% and 11.1% respectively. These facilities are secured by exclusive charge over current assets and non movable fixed assets / ICD extended to GPCL out of YBL facility and unconditional and irrevocable Corporate guarantee from GPUIL.

P Compliance with number of layers of companies

The clause is not applicable to the company.

Q Compliance with approved Scheme(s) of Arrangements

The clause is not applicable to the company.



R Utilisation of Borrowed funds and share premium

(A) Where company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries; the company shall disclose the following:-
 - (I) date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary.
 - (II) date and amount of fund further advanced or loaned or invested by such Intermediaries to other Intermediaries or Ultimate Beneficiaries alongwith complete details of the ultimate beneficiaries.
 - (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
 - (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003);

(B) Where a company has received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, the company shall disclose the following:-
 - (I) date and amount of fund received from Funding parties with complete details of each Funding party.
 - (II) date and amount of fund further advanced or loaned or invested other intermediaries or Ultimate Beneficiaries alongwith complete details of the other intermediaries' or ultimate beneficiaries.
 - (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
 - (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003)]

*The company has not received advanced or loan or invested any fund during previous year as mentioned in clauses in (A), hence this clause is not applicable to the company.

T Corporate Social Responsibility

Since the company is in losses for the last three years , hence it is not mandatory to contribute to CSR.



Standalone summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

Note -
Financial ratios

| Ratio | Measurement unit | Numerator | Denominator | As at | | Variance | Remarks |
|----------------------------------|------------------|--|---|---------------|---------------|----------|---------|
| | | | | 31 March 2022 | 31 March 2021 | | |
| Current ratio | | Current assets | Current liabilities | 1.91 | 1.57 | 21.14 | Note 1 |
| Debt-equity ratio | | Total debt [Non-current borrowings + Current borrowings] | Total equity | (1.86) | (2.00) | (6.84) | Note 1 |
| Debt service coverage ratio | | Earnings before depreciation and amortisation and interest [Earnings = Profit after tax + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)] | Interest expense (including capitalised) + Principal repayments (including prepayments) | 78.78 | (588.96) | (113.38) | Note 1 |
| Return on equity ratio | | Profit after tax | Average of total equity | (0.11) | 1.66 | (106.66) | Note 1 |
| Inventory turnover ratio | | Costs of materials consumed | Average inventories | NA | NA | NA | Note 1 |
| Trade receivables turnover ratio | | Revenue from operations | Average trade receivables | 0.01 | 0.01 | 112.45 | Note 2 |
| Trade payables turnover ratio | | Purchases | Average trade payables | NA | NA | NA | Note 1 |
| Net capital turnover ratio | | Revenue from operations | Working capital [Current assets - Current liabilities] | (0.01) | (0.01) | (23.79) | Note 1 |
| Net profit ratio | | Profit after tax | Revenue from operations | 46.45 | (782.36) | (105.94) | Note 1 |
| Return on capital employed | | Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)] | Capital employed [Total assets - Current liabilities + Current borrowings] | 0.62 | (0.66) | (193.13) | Note 1 |
| Return on investment | | Profit after tax | Equity share capital + Instruments entirely equity in nature + Securities premium | 0.04 | (0.30) | (112.62) | Note 1 |

Note :-1. Reason for variation of more than 25%

2. The change has increased due to revenue has doubled as compare to previous year



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

CIN- U40104MH2010PLC282702

1 Corporate Information and Significant Accounting Policies:

1.1 Corporate Information:

GMR Generation Assets Limited ("the Company") is promoted as a Special Purpose Vehicle (SPV) by GMR Infrastructure Limited to develop and operate 2.1 MW wind power project in Moti Sindhodi, Gujarat.

The project has been developed by Suzlon Energy on turnkey basis and was commissioned on 04.07.2011. Generation of power has started from the above project, and the entire power is being sold to Gujarat Urja Vikas Nigam Ltd as per PPA terms.

Information on other related party transactions is provided in Note 28.

2 Significant Accounting Policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and the relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in case.

The financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) - 34 notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), and applicable Indian accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and other recognized accounting practices and policies in India. The company has recorded a net profit of Rs.74.85 crores during the 12 months March, 2022, which has improved net worth to (639.58) Crores as compared to previous year.

The financial statements are presented in Indian Rupees (INR) and all the values have been rounded off to the nearest crore, except as otherwise stated.

b) Summary of significant accounting policies

i) Use of estimates

The preparation of financial statements in conformity with IND AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

ii) Current versus non-current classification

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

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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 treated as current when:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

v) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

vi) Government grants

Government grants are recognised where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the grant relates to an asset, the cost of the asset shown at gross value and grant there on is treated as capital grant which is recognised as income in the statement of profit and loss over the period and proportion in which depreciation is charged. Revenue grants are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

Grants of non-monetary assets are recorded at fair value and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying assets i.e. by equal annual instalments.

vii) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee :

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.



iii) Property, Plant & Equipments:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost including government grants and decommissioning costs less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items such as purchase price, freight, duties, levies. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Recognition:

The cost of an item of property, plant and equipment shall be

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP in terms of paragraphs D7AA & D13AA of Ind AS 101 - 'First-time Adoption of Indian Accounting Standards' and use that carrying value as the deemed cost of the property, plant and equipment after making adjustments for decommissioning liability (paragraph D21 of Ind AS 101), transaction cost of long term borrowings and Government grants as per Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 5 (Revised).

Depreciation and amortisation

Depreciation on tangible assets dedicated for generation of power covered under CERC tariff regulations including common assets are provided on straight line method (other than BTG of Unit I and II and CTU Transmission Lines), at rates specified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation.

In respect of BTG of Unit I and II and CTU Transmission lines, the Company has estimated 40 years as the useful life of the components as per technical evaluation and accordingly provided depreciation over the remaining useful life of the asset using Straight Line Method w.e.f April 1, 2016 in terms of the requirement of Schedule II of Companies Act 2013.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Asset Type | Estimated useful life (in years) |
|-------------------------------------|----------------------------------|
| Buildings | 25 |
| Roads | 3 |
| Plant & Machinery - Thermal plant * | 40 |
| Plant & Machinery - General | 15 |
| Office equipments | 5 |
| Furniture & Fixtures | 10 |
| Electrical Equipments | 10 |
| Computer equipments | 3 |
| Motor cycles | 8 |
| Motor Cars | 8 |
| Railway Siding | 25 |
| Locomotive | 15 |
| Earthmoving equipment | 09 |

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets.

Leasehold land from Government Authorities are amortised as per Central Electricity Regulatory Commission at rates specified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Machinery spares which are specific to a particular item of Property, Plant & Equipments and whose use is expected to be irregular are capitalized as Property, Plant & Equipments.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months and having a value of more than 0.50 Million.

iv) Intangible assets



At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless either:

- a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

viii) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items 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. Cost is determined on a weighted average basis and includes all applicable costs in bringing goods to their present locations and condition.

ix) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of twenty to twenty five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the twenty fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.



Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.
The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b. Net interest expense or income.

xiii) Financial Instruments - Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

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

- a. Debt instruments at amortised cost
- b. Debt instruments at fair value through other comprehensive income (FVTOCI)
- c. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.



Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives (if available) are tested for impairment annually as at March 31st at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

x) Provisions

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

xi) Decommissioning liability

The Company records a provision for decommissioning costs on power plant projects, where decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax risk free rate. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

xii) Retirement and other Employee Benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund, pension fund, superannuation fund etc. are defined contribution scheme. The Company has no obligation, other than the contribution payable.

The Company recognizes contribution payable as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The company presents the accumulated leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Gratuity is a defined benefit scheme. The cost of providing benefits under the scheme is determined on the basis of actuarial valuation under projected unit credit (PUC) method.

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

Past service costs are recognised in profit or loss on the earlier of:

- a. The date of the plan amendment or curtailment, and
- b. The date that the Company recognises related restructuring costs.



Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. 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.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

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 amortised 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 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on;

- a) Trade receivables or contract revenue receivables; and
- b) All lease receivables resulting from transactions within the scope of Ind AS 17

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

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

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

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- a) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- b) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- a) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.



c) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

xiv) Financial Instruments - Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and 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 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 recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such 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/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings : This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.



Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised 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 directly to profit or loss.

Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.



xv) Revenue Recognition

a) Revenue from energy units sold is recognised on accrual basis as per the terms of the Power Purchase Agreement (PPA) and Letter of Intent (LOI) [collectively hereinafter referred to as 'the PPAs'] and tariff rates determined by CERC. Revenue includes unbilled revenue accrued up to the end of the accounting year. The revenue is also recognised / adjusted towards truing up of fixed charges and energy charges in terms of CERC tariff regulation 2014-19, wherever applicable.

Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to the customers based on the units of energy delivered and rates agreed with customers.

- b) Revenue from sale of infirm power are recognised as per the guidelines of Central Electricity Regulatory Commission. Revenue prior to date of commercial operation are reduced from Project cost.
- c) Revenue/charges from Unscheduled Interchange for the deviation in generation with respect to scheduled units are recognized/ charged at rate notified by CERC from time to time, are adjusted to revenue from sale of energy.
- d) Revenue earned in excess of billings has been included under "other assets" as unbilled revenue and billings in excess of revenue have been disclosed under "other liabilities" as unearned revenue.
- e) Revenue from sale of power is net of prompt payment rebate eligible to the customers.
- f) Claims for delayed payment charges and any other claims, which the Company is entitled to under the PPAs, are accounted for in the year of acceptance by the customers. Similarly Commission, liquidated damages and any other charges are accounted for in the year of acceptance.
- g) Interest is recognized using the time proportion method based on rates implicit in the transaction. Dividend income is accounted for in the year in which the right to receive the same is established by the reporting date.

xvi) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

xvii) Foreign currencies

The financial statements are presented in INR, which is also the company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the company uses an average rate if the average approximates the actual rate at the date of the transaction.

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 recognised in profit or loss with the exception of the following:

-Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

-Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

-Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.



xviii Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management after discussion. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every five years. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions
- b) Contingent consideration
- c) Quantitative disclosures of fair value measurement hierarchy
- d) Investment in unquoted equity shares (discontinued operations)
- e) Property, plant and equipment under revaluation model
- f) Investment properties
- g) Financial instruments (including those carried at amortised cost)
- h) Non-cash distribution



xix) Taxes on income

Current income tax

Tax expense comprises current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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

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

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

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income)

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

xx) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders 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 dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

CIN- U40104MH2010PLC282702

Notes to the standalone financial statements for the period ended March 31, 2022

3 Property plant and equipment and Capital work-in-progress

(Rs. in crore)

| Particulars | Leasehold land | Buildings | Plant and machinery | Office equipments | Computers and data processing equipments | Furniture and fixtures | Vehicles | Total |
|---------------------------------|----------------|-----------|---------------------|-------------------|--|------------------------|----------|-------|
| Gross block | | | | | | | | |
| At cost/deemed cost | | | | | | | | |
| As at April 1, 2020 | 15.11 | 54.57 | 0.00 | 0.20 | 0.01 | 0.13 | 0.38 | 70.40 |
| Deductions | 15.11 | 44.48 | - | - | - | - | - | 59.59 |
| As at , March 31, 2021 | - | 10.09 | 0.00 | 0.20 | 0.01 | 0.13 | 0.38 | 10.80 |
| Opening | - | 10.09 | 0.00 | 0.20 | 0.01 | 0.13 | 0.38 | 10.80 |
| As at , March 31, 2022 | - | 10.09 | 0.00 | 0.20 | 0.01 | 0.13 | 0.38 | 10.80 |
| Accumulated depreciation | | | | | | | | |
| At cost/deemed cost | | | | | | | | |
| As at April 1, 2020 | - | 7.82 | - | 0.17 | - | 0.10 | 0.17 | 8.26 |
| Opening | - | 2.27 | - | 0.01 | - | 0.02 | 0.03 | 2.33 |
| Charge for the year | - | 10.09 | - | 0.18 | - | 0.12 | 0.20 | 10.60 |
| As at , March 31, 2021 | - | 10.09 | - | 0.18 | - | 0.12 | 0.20 | 10.60 |
| Opening | - | - | - | - | - | 0.01 | 0.03 | 0.04 |
| Charge for the year | - | - | - | - | - | - | - | - |
| As at , March 31, 2022 | - | 10.09 | - | 0.18 | - | 0.13 | 0.23 | 10.64 |
| Net block | | | | | | | | |
| As at April 1, 2020 | - | 2.27 | 0.00 | 0.03 | 0.01 | 0.03 | 0.21 | 2.55 |
| As at , March 31, 2021 | - | - | 0.00 | 0.02 | 0.01 | 0.01 | 0.18 | 0.21 |
| As at , March 31, 2022 | - | - | 0.00 | 0.02 | 0.01 | 0.00 | 0.15 | 0.18 |

* Building which consist value of 44.48 crore in the name of GMR Energy Ltd, ownership retained with GMR Energy Ltd. GMR Generation Assets Ltd is showing in books of accounts as there is agreement to sale existing between GMR Generation Assets Ltd. & GMR Energy Ltd.



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

CIN- U40104MH2010PLC282702

Notes to the standalone financial statements for the period ended March 31, 2022

5 Intangible assets and Intangible assets under development

(Rs. in crore)

| Particulars | Software | Service concession | Total |
|---------------------------------|----------|--------------------|-------|
| Gross block | | | |
| At cost/deemed cost | | | |
| As at April 1, 2020 | 0.01 | 9.59 | 9.60 |
| As at , March 31, 2021 | 0.01 | 9.59 | 9.60 |
| Opening | 0.01 | 9.59 | 9.60 |
| As at , March 31, 2022 | 0.01 | 9.59 | 9.60 |
| Accumulated amortization | | | |
| At cost/deemed cost | | | |
| As at April 1, 2020 | 0.01 | 2.95 | 2.96 |
| Charge for the year | - | - | 0.59 |
| As at , March 31, 2021 | 0.01 | 2.95 | 3.55 |
| Opening | 0.01 | 2.95 | 3.55 |
| Charge for the year | - | 0.59 | 0.59 |
| As at , March 31, 2022 | 0.01 | 3.54 | 4.14 |
| Net block | | | |
| As at April 1, 2020 | 0.00 | 6.64 | 6.64 |
| As at , March 31, 2021 | 0.00 | 6.64 | 6.05 |
| As at , March 31, 2022 | 0.00 | 6.05 | 5.46 |



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

CIN- U40104MH2010PLC282702

Notes to Standalone Balance Sheet as at March 31, 2022

6 Investment in associate and a joint venture

(Rs. in crore)

| | Non current | |
|---|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 |
| A) Investment in equity shares | | |
| Investment in subsidiaries | | |
| Unquoted Equity Instruments | | |
| 10,000 (March 31, 2020: 10,000) Equity shares of Rs 10 each fully paid up in GMR Londa Hydropower Limited | 0.01 | 0.01 |
| 20,000 (March 31, 2020: 20,000) Equity shares of Rs 10 each fully paid up in GMR Mining & Energy Limited | 0.02 | 0.02 |
| 510 (March 31, 2020: 510) Equity shares of Rs 10 each fully paid up in GMR Power Infra Limited | - | - |
| Investment in associates | | |
| Unquoted Equity Instruments | | |
| 1,30,15,31,411 (March 31, 2020: 1,30,15,31,411) Equity shares of Rs 10 each fully paid up in GMR Energy Limited | 2,843.60 | 2,843.60 |
| 1,15,70,00,000 (March 31, 2020: 1,15,70,00,000) Equity shares of Rs 10 each fully paid up in GMR Rajamundhry Energy Limited 2 | 1,157.00 | 1,157.00 |
| 2,70,000 (March 31, 2020: 2,70,000) Equity shares of Rs 10 each fully paid up in GMR Tambaram Tindivanam Expressways Limited | 0.27 | 0.27 |
| 2,70,000 (March 31, 2020: 2,70,000) Equity shares of Rs 10 each fully paid up in GMR Tuni Ankapalli Expressways Limited | 0.27 | 0.27 |
| Total Investment (A) | 4,001.17 | 4,001.17 |
| Less: Provision for permanent diminution in value of investment | | |
| GMR Energy Limited | (2,389.81) | (2,132.55) |
| GMR Rajamundhry Energy Limited | (1,157.00) | (1,157.00) |
| Total (A+B+C) | 454.37 | 711.63 |

1 GMR Energy Limited : Out of the above equity shares, 90,17,25,674 equity shares have been pledged with Vistra ITCL Limited (security trustee for Yes Bank Ltd Loan facility), 20,40,39,388 shares have been pledged with Doosan Power Systems India Pvt Ltd and 7,21,38,054 shares are under NDU

GMR Rajamundhry Energy Limited, out of the above equity shares, 1,15,69,99,400 shares have been pledged with IDBI Trusteeship Services Limited. The shares have been pledged for loan taken by respective company from the lenders.

Based on the implied fair valuation of subscription for the issue of new equity shares, the management of the Company has assessed the fair value of the Company's investment in GMR Energy Limited. During the year 2017-18, provision of Rs 363 cr has been made for impairment. An impairment provision of Rs 323.74 cr for the FY 2018-19, Rs 652.42 cr for FY 2019-20, Rs 293.39 cr for FY 2020-21 and Rs 257.26 cr for FY 2021-22 are made as per the fair value of the Company's investment in GMR Energy Limited



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

CIN- U40104MH2010PLC282702

Notes to Standalone Balance Sheet as at March 31, 2022

7 Other investments

| | (Rs. in crore) | |
|---|-----------------|-----------------|
| | Non current | |
| | March 31, 2022 | March 31, 2021 |
| h) Equity component of compound financial instrument | | |
| Quoted | - | - |
| Unquoted | 473.15 | 470.81 |
| Less: Impairment in value of investments | - | - |
| Total (h) | 473.15 | 470.81 |
| Provision for diminution in value of investments | (473.15) | (470.81) |
| Total (a+b+c+d+e+f+g+h) | 0.00 | 0.00 |

* Additional Equity investment in GMR Rajamundry Energy Limited created as per Ind AS includes Equity component on ICD given amounting to Rs 71.29 cr, interest receivable amounting to Rs 45.29 cr and value of Financial Guarantee given amounting to Rs 42.11 cr, totalling Rs 158.69 cr as of 31 March 2019. The Company has made impairment provision on the entire Rs 158.69 cr.

During the year ended 31 March 2021, Additional equity investment as per Ind AS on GMR Rajamundry Energy Limited ICD given amounting to Rs 4.15 cr respectively. Impairment provision was made on it.



8 Trade receivables

| | (Rs. in crore) | | | |
|---|----------------|----------------|----------------|----------------|
| | Non current | | Current | |
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Trade receivables (unsecured considered good) | - | - | 114.24 | 114.14 |
| Total | - | - | 114.24 | 114.14 |
| Break up of security details | | | | |
| Unsecured considered good | - | - | 114.24 | 114.14 |
| Total | - | - | 114.24 | 114.14 |

* No trade or other receivables are due from directors or other Officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

9 Loans

| | (Rs. in crore) | | | |
|--|----------------|----------------|----------------|----------------|
| | Non current | | Current | |
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Other loans | | | | |
| Unsecured, considered good | | | | |
| Loan to employees | 0.00 | 0.03 | - | - |
| Loan to related party | 473.13 | 77.08 | - | 725.68 |
| Loan to others | - | - | - | - |
| | 473.13 | 77.11 | - | 725.68 |
| Unsecured, considered doubtful | - | - | - | - |
| Provision for doubtful loans | - | - | - | - |
| Provision for doubtful loans - related party | (100.58) | (77.08) | - | - |
| Total (A) | 372.55 | 0.03 | - | 725.68 |
| Total (A+B) | 372.55 | 0.03 | - | 725.68 |

10 Other financial assets

| | (Rs. in crore) | | | |
|---|----------------|----------------|----------------|----------------|
| | Non Current | | Current | |
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Unsecured, considered good unless stated otherwise | | | | |
| Interest accrued on fixed deposits | - | - | 0.25 | 0.00 |
| Interest accrued on Inter corporate loans and deposits | 23.08 | 23.08 | 149.02 | 147.46 |
| Non trade receivable- related party | - | - | 1.35 | 53.67 |
| Non trade receivable considered good | - | - | - | 0.70 |
| | 23.08 | 23.08 | 150.62 | 201.83 |
| Provision for doubtful interest accrued | (23.08) | (23.08) | - | - |
| | - | - | 150.62 | 201.83 |

* While the company entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected repayment of vendor liability. Those contracts are not designated as hedge relationships and are measured at fair value through profit and loss

Security deposit

| | | | | |
|------------------------------|------|---|--------|--------|
| Security deposit with others | 0.60 | - | - | - |
| | 0.60 | - | - | - |
| | 0.60 | - | 150.62 | 201.83 |

11 Other non current assets /Other current assets

| | (Rs. in crore) | | | |
|---|----------------|----------------|----------------|----------------|
| | Non current | | Current | |
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Capital advances | | | | |
| Capital advances to others | - | 0.60 | - | - |
| | - | 0.60 | - | - |
| Total (A) | - | 0.60 | - | - |
| Advances other than capital advances | | | | |
| Advance to suppliers | - | - | 6.53 | 6.93 |
| Advance to employees | - | - | 0.02 | 0.01 |
| | - | - | 6.54 | 6.94 |
| Provision for doubtful advances | - | - | - | - |
| Total (B) | - | - | 6.54 | 6.94 |
| Other advances | | | | |
| Prepaid expenses | 0.07 | 0.07 | (0.01) | 0.02 |
| Balance with government authorities | - | - | 0.12 | 0.22 |
| | 0.07 | 0.07 | 0.11 | 0.23 |
| Provision for doubtful advances | - | - | - | - |
| Total (C) | 0.07 | 0.07 | 0.11 | 0.23 |
| Total (A+B+C) | 0.07 | 0.67 | 6.65 | 7.18 |

14 Cash and cash equivalents

| | (Rs. in crore) | |
|-----------------------|----------------|----------------|
| | Current | |
| | March 31, 2022 | March 31, 2021 |
| Balances with banks | | |
| - on current accounts | 0.30 | 0.18 |
| - Deposit account | 16.73 | 0.04 |
| | 17.03 | 0.22 |
| Total | 17.03 | 0.22 |



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)
CIN- U40104MH2010PLC282702
Notes to the standalone financial statements for the year ended March 31, 2022
15 Share capital

| | Equity shares | | Preference shares | |
|-----------------------------------|------------------------|----------------|-------------------------|----------------|
| | No. of shares in Crore | (Rs. in crore) | No. of shares in Crores | (Rs. in crore) |
| Authorised equity share capital: | | | | |
| #VALUE! | 750.00 | 7,500.00 | - | 1,516.00 |
| At #Error, no current connection. | 750.00 | 7,500.00 | - | 1,516.00 |
| At #Error, no current connection. | 750.00 | 7,500.00 | - | 1,516.00 |

a. Reconciliation of Shares Outstanding at the beginning and end of the reporting year

| Equity Shares | March 31, 2022 | | March 31, 2021 | |
|---|------------------------|--------------|----------------|--------------|
| | No. of shares in Crore | Rs in Crores | In Numbers | Rs in Crores |
| At the beginning of the year | 196.84 | 1,968.43 | 632.33 | 6,323.25 |
| Add: Issued during the year | - | - | - | - |
| Less: Reduced during the year on account of capital reduction | - | - | 435.48 | 4,354.82 |
| Outstanding at the end of the year | 196.84 | 1,968.43 | 196.84 | 1,968.43 |

b. Terms/Rights Attached to equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company and/ or their subsidiaries/ associates.

| Name of the shareholder | March 31, 2022 | | March 31, 2021 | |
|---|-------------------------|----------------|------------------------|--------------|
| | No. of shares in Crores | (Rs. in crore) | No. of shares in Crore | Rs in Crores |
| GMR Power & Urban Infra Ltd. | | | | |
| Equity shares of Rs 1 each, fully paid up | 161.73 | 1,617.30 | 161.73 | 1,617.30 |

d. Details of share holding more than 5% shares in the Company

| Name of the shareholder | March 31, 2022 | | March 31, 2021 | |
|---|-------------------------|----------------|------------------------|--------------|
| | No. of shares in Crores | (Rs. in crore) | No. of shares in Crore | Rs in Crores |
| Equity shares of Rs 1 each, fully paid up | | | | |
| GMR Power & Urban Infra Ltd. | 161.73 | 82.16% | 161.73 | 82.16% |
| Odcon Limited | 31.39 | 15.95% | 31.39 | 15.95% |

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



16 Other equity

(Rs. in crore)

Equity portion of compound financial instrument

| | |
|---|--------------|
| Balance as at March 31, 2020 | 650.97 |
| Amount transferred to retained earnings | (622.44) |
| Balance as at March 31, 2021 | 28.53 |
| Balance as at March 31, 2021 | 28.53 |
| Balance as at March 31, 2022 | 28.53 |

(A)

Share application money pending for allotment

| | |
|-------------------------------------|---------------|
| Balance as at March 31, 2020 | 753.08 |
| Adjustment during the year | (753.08) |
| Balance as at March 31, 2021 | (0.00) |
| Balance as at March 31, 2021 | (0.00) |
| Balance as at March 31, 2022 | (0.00) |

(C)

Securities premium

| | |
|-------------------------------------|-------------|
| Balance as at March 31, 2021 | 5.70 |
| Balance as at March 31, 2021 | 5.70 |
| Balance as at March 31, 2022 | 5.70 |

(D)

General reserve

| | |
|-------------------------------------|--------------|
| Balance as at March 31, 2020 | 24.99 |
| Balance as at March 31, 2021 | 24.99 |
| Balance as at March 31, 2021 | 24.99 |
| Balance as at March 31, 2022 | 24.99 |

(M)

Surplus in the consolidated statement of profit and loss

| | |
|---|-------------------|
| Balance as at March 31, 2020 | (7,819.13) |
| Profit/ (Loss) for the period | (592.89) |
| Amount transferred to retained earnings | 622.44 |
| Adjustment in retained earnings | 5,047.48 |
| Balance as at March 31, 2021 | (2,742.10) |
| Balance as at March 31, 2021 | (2,742.10) |
| Profit/ (loss) for the period | 74.85 |
| Adjustment in retained earnings | 0.05 |
| Balance as at March 31, 2022 | (2,667.20) |

(P)

Remeasurement gain/(loss) on defined benefit plans (OCI)

| | |
|-------------------------------------|--------------------|
| Balance as at March 31, 2020 | (0.06) |
| Movement during the year | (34,748.00) |
| Balance as at March 31, 2021 | (34,748.06) |
| Balance as at March 31, 2021 | (0.03) |
| Movement during the year | - |
| Balance as at March 31, 2022 | (0.02) |

(T)

Total other equity (A+B+C+D+E+F+G+H+I+J+K+L+M+N+O+P+Q+R+S+T+U+V)

| | |
|-------------------------------------|--------------------|
| Balance as at March 31, 2021 | (37,430.90) |
| Balance as at March 31, 2022 | (2,608.01) |



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)
CIN- U40104MH2010PLC282702

Notes to standalone balance sheet as at March 31, 2022

17 Long term borrowings

| | (Rs. in crore) | |
|---|-----------------|-----------------|
| | Non current | |
| | March 31, 2022 | March 31, 2021 |
| | Rs. in crore | Rs. in crore |
| Term loans | | |
| Secured | | |
| Indian rupee term loans from banks (secured) | 508.69 | 560.73 |
| Unsecured | | |
| Inter corporate loans and deposits | 600.64 | 813.61 |
| | 1,109.33 | 1,374.34 |
| The above amount includes | | |
| Secured borrowings | 508.69 | 560.73 |
| Unsecured borrowings | 600.64 | 813.61 |
| Amount disclosed under the head 'other current financial liabilities' | | |
| Net amount | 1,109.33 | 1,374.34 |

18 Trade payables

| | (Rs. in crore) | | | |
|--------------------------------|----------------|----------------|----------------|----------------|
| | Non current | | Current | |
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Other trade payables: | | | | |
| Due to Related parties: | | | | |
| Due to others | - | - | 30.77 | 48.25 |
| Due to others | - | - | 7.81 | 30.09 |
| Total other trade payables (B) | - | - | 38.58 | 78.34 |
| Total A+B | - | - | 38.58 | 78.34 |

19 Other financial liabilities

| | (Rs. in crore) | | | |
|--|----------------|----------------|----------------|----------------|
| | Non current | | Current | |
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| comprehensive income | | | | |
| Derivatives designated as hedge | | | 0.00 | 0.01 |
| Total (B) | - | - | 0.00 | 0.01 |
| Other financial liabilities at amortized cost | | | | |
| Security deposit from customers | - | - | 2.44 | 6.14 |
| Security deposit others | 0.52 | - | - | - |
| Non-trade payable (including retention money) | - | - | 32.46 | 0.51 |
| Financial guarantee | 0.00 | 0.00 | 41.15 | 41.15 |
| Interest accrued on debt and borrowings | - | - | 5.07 | 35.18 |
| Interest accrued on Inter corporate loans and deposits | 91.67 | 9.24 | (0.00) | (0.00) |
| Total (C) | 92.19 | 9.24 | 81.12 | 82.98 |
| Total (A+B+C+D) | 92.19 | 9.24 | 81.12 | 83.00 |



20 Provisions

| | (Rs. in crore) | | | |
|---|----------------|----------------|----------------|----------------|
| | Non current | | Current | |
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Provision for employees benefits | | | | |
| Provision for gratuity | 0.03 | 0.01 | 0.02 | 0.01 |
| Provision for superannuation | - | - | 0.00 | 0.00 |
| Provision for leave encashment | 0.07 | 0.02 | 0.02 | 0.01 |
| | 0.11 | 0.03 | 0.04 | 0.02 |
| | 0.11 | 0.03 | 0.04 | 0.02 |

21. Other current & non current liabilities

| | (Rs. in crore) | | | |
|---|----------------|----------------|----------------|----------------|
| | Non current | | Current | |
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Advance received from customers | - | - | 27.27 | 564.28 |
| Advance received from customers - Related parties | - | - | 387.19 | 387.19 |
| Statutory dues payable | - | - | 4.02 | 0.32 |
| | - | - | 418.48 | 951.79 |

22 Short term borrowings

| | (Rs. in crore) | |
|--|----------------|----------------|
| | Current | |
| | March 31, 2022 | March 31, 2021 |
| Unsecured | | |
| Current maturities of long term borrowings | 82.66 | 55.05 |
| | 82.66 | 55.05 |
| The above amount includes | | |
| Unsecured borrowings | 82.66 | 55.05 |
| | 82.66 | 55.05 |



#ERROR, NO CURRENT CONNECTION.

GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

Notes to Profit & Loss statement for the year ending March 31, 2022

23 Revenue from operations

(Rs. in crore)

| | <u>March 31, 2022</u> | <u>March 31, 2021</u> |
|---------------------------------------|-----------------------|-----------------------|
| Sale of products | | |
| Income from sale of electrical energy | 1.61 | 0.76 |
| | 1.61 | 0.76 |
| | 1.61 | 0.76 |

25 Other income

(Rs. in crore)

| | <u>March 31, 2022</u> | <u>March 31, 2021</u> |
|--|-----------------------|-----------------------|
| Interest income on: | | |
| Bank deposits and others | 0.35 | 1.41 |
| Inter corporate loans and deposits | 60.06 | 50.38 |
| Provisions/Liability no longer required written back | - | 22.17 |
| Lease rentals | 0.08 | - |
| Miscellaneous income | 0.00 | 0.02 |
| | 60.49 | 73.98 |



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

CIN- U40104MH2010PLC282702

Notes to Profit & Loss statement for the year ending March 31, 2022**29 Employee benefit expenses**

| | (Rs. in crore) | |
|---|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Salaries wages and bonus | 0.80 | 0.63 |
| Contribution to provident and other funds | 0.05 | 0.05 |
| Gratuity expenses | 0.02 | 0.17 |
| Staff welfare expenses | 0.00 | (0.00) |
| | 0.87 | 0.84 |

30 Other expenses

| | (Rs. in crore) | |
|--------------------------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Electricity and water charges | 0.21 | 0.26 |
| Insurance | 0.10 | 0.03 |
| Others | 0.32 | 0.19 |
| Rates and taxes | 3.05 | 1.30 |
| Lease rent | 0.01 | 0.02 |
| Legal and professional fees | 0.90 | 0.29 |
| Remuneration to auditor | 0.07 | 0.12 |
| Director's sitting fees | 0.04 | 0.04 |
| Loss on fair valuation of derivative | - | 0.01 |
| Bad debt written off | - | 0.01 |
| Exchange differences (net) | 0.01 | 0.03 |
| Bidding expenses | 0.01 | 0.12 |
| Operation & maintenance charges | 0.39 | 0.29 |
| | 5.11 | 2.73 |

Details of payments to auditors**As auditor:**

| | | |
|---------------|------|------|
| Audit fee | 0.06 | 0.11 |
| Tax audit fee | 0.01 | 0.01 |

In other capacities

| | | |
|-----------------------------------|-------------|-------------|
| Total payments to auditors | 0.07 | 0.12 |
|-----------------------------------|-------------|-------------|

| | | |
|---|------|------|
| Audit Fees-Statutory Audit | 0.06 | 0.06 |
| Audit Fees-Tax Audit | 0.01 | 0.01 |
| Audit Fees-Statutory Audit-(Non-capitalization) | - | 0.05 |

| | | |
|------------------------------|------|------|
| Other Expenses (PL-Grouping) | 5.11 | 2.73 |
|------------------------------|------|------|



31 Depreciation & amortisation expenses

| | (Rs. in crore) | |
|--|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Depreciation of property plant & equipment | 2.32 | 2.33 |
| Depreciation on right to use | 0.02 | 0.02 |
| Amortisation of intangible assets | 0.59 | 0.59 |
| | <u>2.93</u> | <u>2.94</u> |

32 Finance costs

| | (Rs. in crore) | |
|----------------------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Interest on debts and borrowings | 217.66 | 183.33 |
| Interest others | 0.01 | 0.02 |
| Other borrowing cost | 0.01 | 0.18 |
| | <u>217.69</u> | <u>183.53</u> |
| Finance Costs (PL-Grouping) | 217.69 | 183.53 |

33. Exceptional Item

| | (Rs. in crore) | |
|--|-----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| | (537.01) | 311.04 |
| Provision/write-off for impairment of investments at amortised cost/doubtful loans and advances (TANGEDCO) | | |
| Provision/write-off for impairment of investments at amortised cost/doubtful loans and advances (GEL) | 257.26 | |
| Provision/write-off for impairment of investments at amortised cost/doubtful loans and advances (GREL) | 36.40 | |
| Settlement of stake sale of Chhatishgarh Plant (GCEL) | | 166.47 |
| Current WIP written off | | - |
| Provision for interest liability written back | | - |
| | <u>(243.35)</u> | <u>477.51</u> |

Note

- TANGEDCO advance write off in the books of accounts
- The company has made impairment provision on GEL investment on the basis of valuation report
- The company has given to GMR Rajahmundry Energy Ltd. ICD Loan of 36.40 crore & made impairment provision on entire amount



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

CIN- U40104MH2010PLC282702

Notes to Profit & Loss statement for the year ending March 31, 2022

34 Earnings per share (EPS)

| | March 31, 2022 | March 31, 2021 |
|---|----------------|-----------------|
| Profit attributable to equity holders of parent: | | |
| Continuing operations (Rs in crore) | 74.85 | (592.89) |
| Profit attributable to equity holders of parent for basic / diluted earnings per share(Rs in crore) | 74.85 | (592.89) |
| Weighted average number of equity shares for basic EPS | 196.84 | 196.84 |
| Effect of dilution: | | |
| Weighted average number of equity shares adjusted for the effect of dilution | 196.84 | 196.84 |
| Earnings per share for continuing operations - Basic (Rs) | 0.38 | (3.01) |
| Earnings per share for continuing operations - Diluted (Rs) | 0.38 | (3.01) |
| Earnings per share for continuing and discontinued operations - Basic (Rs) | 0.38 | (3.01) |
| Earnings per share for continuing and discontinued operations - Diluted (Rs) | 0.38 | (3.01) |



28 List of Related Parties with whom transactions have taken place during the period:

a. Names of related parties and related party relationship:

| | |
|--------------------------------------|--|
| Enterprises that control the company | GMR POWER AND URBAN INFRA LIMITED |
| Ultimate holding company | GMR Enterprises Private Limited |
| Subsidiaries | GMR Rajamundry Energy Limited GMR Londa Hydro Power Limited GMR Mining & Energy Limited |
| Associates | GMR Energy Limited GMR Tambaram Tindivanam Expressways Limited GMR Tuni Ankapalli Expressways Limited |
| Fellow Subsidiaries | GMR Energy Trading Limited (GETL) GMR Londa Hydropower Private Limited (GLHPPL) GMR Generation Assets Limited (GGAL) GMR Highways Limited (GMRHL) GMR Tambaram Tindivanam Expressways Limited (GTTEL) GMR Tuni Ankapalli Expressways Limited (GTAEL) GMR Ambala Chandigarh Expressways Private Limited (GACEPL) GMR Pochanpalli Expressways Limited (GPEL) GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL) GMR Chennai Outer Ring Road Private Limited (G CORRPL) Gateways for India Airports Private Limited (GFIAL) GMR Aerostructure Services Limited (GASL) GMR Aviation Private Limited (GAPL) GMR Krishnagiri SIR Limited (GKSIR) Advika Properties Private Limited (APPL) Aklina Properties Private Limited (AKPPL) Amartya Properties Private Limited (AMPPL) Baruni Properties Private Limited (BPPL) Bougainvillea Properties Private Limited (BOPPL) Camelia Properties Private Limited (CPPL) Deepesh Properties Private Limited (DPPL) Eila Properties Private Limited (EPPL) Gerbeta Properties Private Limited (GPL) Lakshmi Priya Properties Private Limited (LPPPL) Honeysuckle Properties Private Limited (HPPL) Idika Properties Private Limited (IPPL) Krishnapriya Properties Private Limited (KPPL) Larkspur Properties Private Limited (LAPPL) Nadira Properties Private Limited (NPPL) Padmapriya Properties Private Limited (PAPPL) Prakalpa Properties Private Limited (PPPL) Purnachandra Properties Private Limited (PUPPL) Shreyadita Properties Private Limited (SPPL) Pranesh Properties Private Limited (PRPPL) Sreepa Properties Private Limited (SRPPL) Radhapriya Properties Private Limited (RPPL) Asteria Real Estates Private Limited (AREPL) Lantana Properties Private Limited (LPPL) Namitha Real Estates Private Limited (NREPL) Honey Flower Estates Private Limited (HFEPL) GMR SEZ & Port Holdings Limited (GSPHL) Suzone Properties Private Limited (SUPPL) Lilliam Properties Private Limited (LPPL) Dhruvi Securities Private Limited (DSPL) GMR Energy (Netherlands) B.V. (GENBV) GMR Energy (Cyprus) Limited (GECL) GMR Energy Projects (Mauritius) Limited (GEPML) GMR Infrastructure (Singapore) Pte Limited (GISPL) GMR Coal Resources Pte Limited (GCRPL) GADL International Limited (GADLIL) GMR Infrastructure (Mauritius) Limited (GIML) GMR Infrastructure (Cyprus) Limited (GICL) GMR Infrastructure Overseas Limited, Malta (GIOL) GMR Infrastructure (UK) Limited (GIUL) GMR Infrastructure (Global) Limited (GIGL) Indo Tausch Trading DMCC (ITTD) GMR Infrastructure (Overseas) Limited (GI(O)L) GMR Mining & Energy Private Limited (GMEL) GMR Male International Airport Private Limited (GMIAL) PT GMR Infrastructure Indonesia |



| | |
|---|---|
| Joint Venture & Associate (of GPJUL) | GMR Energy Limited (GEL) GMR Energy (Mauritius) Limited (GEML) GMR Lion Energy Limited (GLEL) Karnali Transmission Company Private Limited (KTCPL) GMR Kamalanga Energy Limited (GKEL) GMR Vemagiri Power Generation Limited (GVPGL) GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL) GMR Consulting Services Limited (GCSL) GMR Bajoli Holi Hydropower Private Limited (GBHHPL) GMR Warora Energy Limited (GWEL) GMR Bundelkhand Energy Private Limited (GBEPL) GMR Rajam Solar Power Private Limited (GRSPPL) GMR Maharashtra Energy Limited (GMAEL) GMR Gujarat Solar Power Limited (GGSPL) GMR Indo-Nepal Energy Links Limited (GINELL) GMR Indo-Nepal Power Corridors Limited (GINPCL) GMR Upper Karnali Hydropower Limited (GUKPL) GMR Tenaga Operations and Maintenance Private Limited (GTOM) Megawide GISPL Construction Joint Venture (MGCJV) Limak GMR Joint Venture (CJV) PT Golden Energy Mines Tbk (PTGEMS) PT Dwikarya Sejati Utama (PTDSU) PT Duta Sarana Internusa (PTDSI) PT Barasentosa Lestari (PTBSL) PT Unsoco (Unsoco) PT Roundhill Capital Indonesia (RCI) PT Borneo Indobara (BIB) PT Kuansing Inti Makmur (KIM) PT Karya Cemerlang Persada (KCP) PT Bungo Bara Utama (BBU) PT Bara Harmonis Batang Asam (BHBA) PT Berkat Nusantara Permai (BNP) PT Tanjung Belit Bara Utama (TBBU) PT Trisula Kencana Sakti (TKS) PT Era Mitra Selaras (EMS) PT Wahana Rimba Lestari (WRL) PT Berkat Satria Abadi (BSA) GEMS Trading Resources Pte Limited (GEMSCR) PT Kuansing Inti Sejahtera (KIS) PT Bungo Bara Makmur (BBM) PT GEMS Energy Indonesia (PTGEI) PT Karya Mining Solution (KMS) GMR Rajahmundry Energy Limited (GREL) |
| Key Management Personnel | Mr. Ashis Basu, Director Mr. Sanjay Narayana Barde, Director Mr. Nirjhar Sarkar, Director (till June 21, 2021) Mr. Nikhil Dujari, Director (from June 21, 2021) Mr. Adi Seshavaram Cherukupalli, Independent Director Mr. Subodh Kumar Goyal, Independent Director Ms. Kavitha Gudapati, Director Chirag Bhayal, Company Secretary Debraj Dutta, Manager Parveen Agrawal, CFO (From Nov 2021) Manoj Kumar Aggrawal, CFO (till Nov 2021) |

Related Party transactions

I The following table provides the total amount of transactions that have been entered into with related parties for the period ending March 2022

| a) Expenditure: Particulars | Rs. in Crore | |
|--|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Other Expenses | | |
| Corporate cost allocation- GMR Infrastructure Limited | 0.016 | 0.002 |
| Logo fee - GMR Enterprises Private Limited | - | - |
| Renewable Energy Certificate Fees-GMR Energy Trading Limited | 0.04 | 0.004 |
| GMR Corporate Affairs Pvt Ltd-Office Rent | | |
| GMR Energy Trading Limited | 36.06 | |
| Impairment of Investment arising out of IND AS | | |
| GMR Energy Limited | 257.26 | 293.39 |
| GMR Rajahmundry Energy Limited | 36.4 | 17.65 |
| Interest on Inter-corporate deposits | | |
| GMR Power And Urban Infra Limited | 97.74 | 83.24 |
| GMR Airport Developers Limited | 3.00 | 3.00 |
| GMR Energy Trading Limited | 1.60 | 15.83 |
| GMR Power And Urban Infra Limited | 4.48 | |



b) Income:

| Particulars | Rs. in Crore | |
|--|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Interest on Inter-corporate deposits | | |
| GMR Vemagiri Power Generation Limited | 0.36 | 0.19 |
| GMR Power Infra Limited | 1.29 | 1.72 |
| GMR (Badrinath) Hydro Power Generation Private Limited | 1.54 | 1.54 |
| Kakinada SEZ Limited | - | 8.30 |
| GMR Bajoliholi Hydro Power Private Limited | 35.31 | 15.29 |
| Dhruvi securities Private Limited | - | 1.76 |
| GMR Aerostructure Services Limited | 15.50 | 16.13 |
| GMR Londa Hydropower Private Limited | 0.35 | 0.35 |
| GMR Bundelkhand Energy Limited | 3.74 | 3.74 |
| GMR Energy Limited | 2.11 | 1.36 |

c) Details of Transactions taken place during the period

| Particulars | Rs. in Crore | |
|--|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| i. ICD taken from | | |
| GMR Power And Urban Infra Limited | 107.76 | 296.66 |
| GMR Energy Trading Limited (Interest Net off amount principalized) | 29.49 | 4.00 |
| GMR Power And Urban Infra Limited | 91.97 | - |
| ii. ICD repaid to/written back | | |
| GMR Power And Urban Infra Limited | 426.74 | 123.81 |
| GMR Energy Trading Limited | 19.79 | 271.70 |
| GMR Aerostructure Services Limited | - | 157.40 |
| iii. ICD given to | | |
| GMR Vemagiri Power Generation Limited | 0.52 | 1.59 |
| GMR Londa Hydropower Private Limited | 0.33 | 0.14 |
| GMR Rajahmundry Energy Limited | 36.40 | 17.65 |
| GMR Energy Limited | 0.00 | 25.50 |
| GMR Bajoliholi Hydro Power Pvt Ltd | 47.98 | 262.14 |
| iv. ICD repaid by | | |
| Dhruvi securities Private Limited | - | 31.00 |
| Kakinada SEZ Ltd | - | 143.90 |
| GMR Power And Urban Infra Limited | - | - |
| GMR Consulting Services Private Limited | 0.01 | - |
| GMR Enterprises Private Limited | - | - |
| GMR Energy Limited | 11.39 | - |
| GMR Aerostructure Services Limited | 33.19 | - |
| v. Interest paid to | | |
| GMR Energy Trading Limited | 0.70 | - |
| GMR Power And Urban Infra Limited | 20.31 | - |
| GMR Airport Developers Limited | 2.35 | - |
| vi. Managerial Remuneration | | |
| i. Sitting Fees paid to Independent directors | | |
| - AD Navaneethan | 0.01 | 0.01 |
| - Subodh Kumar Goel | 0.01 | - |
| - S Sandilya | - | 0.00 |
| - R.S.S.L.N Bhaskarudu | 0.01 | 0.01 |

II Closing Outstanding balances with the above related parties:

| Particulars | Rs. in Crore | |
|------------------------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| a) Payables: | | |
| i. Interest Payable on ICD: | | |
| GMR Power And Urban Infra Limited | 84.36 | 7.77 |
| GMR Airport Developers Limited | 1.93 | 1.41 |
| GMR Energy Trading Limited | 0.85 | 0.06 |
| GMR Power And Urban Infra Limited | 4.47 | - |



| | | |
|---|--------|--------|
| ii. Non Trade Payable | | |
| GMR Varalakshmi Foundation | 0.36 | 0.36 |
| iii. Trade Payable/Provision for expenses | | |
| GMR Power & Urban Infra Limited- Corporate Cost Allocation | 0.02 | - |
| GMR Enterprises Private Limited-Logo Fees | - | 0.43 |
| RAXA Security Services Limited | - | 0.18 |
| GMR Corporate Affairs Private Limited-Security deposit | - | 1.83 |
| GMR Corporate Affairs Private Limited | - | 1.17 |
| GMR Enterprises Private Limited | 0.79 | 0.79 |
| GMR Power & Urban Infra Limited | - | 2.45 |
| GMR Varalakshmi Foundation | 2.03 | 2.03 |
| Raxa Security Services Limited | 6.13 | 11.67 |
| GMR Kamalanga Energy Limited | 21.47 | 21.47 |
| GMR Energy Limited | - | 5.93 |
| GMR Energy Trading Limited | 36.06 | - |
| iv. Advance received | | |
| GMR Energy Trading Limited | 387.19 | 387.19 |
| v. Equity Component of ICD Taken: | | |
| GIL Loan up to conversion to Equity-GMR Power & Urban Infra Limited | 28.53 | 28.53 |
| vi. Financial Guarantee Obligation: | | |
| Given on behalf of GMR Rajahmundry Energy Limited for Rupee Loan Facility | 41.15 | 41.15 |
| vii. Inter Corporate Deposit payable: | | |
| GMR Power & Urban Infra Limited | 466.63 | 785.61 |
| GMR Airport Developers Limited | 24.00 | 24.00 |
| GMR Power And Urban Infra Limited | 91.32 | - |
| GMR Energy Trading Limited | 18.70 | 4.00 |

| Particulars | Rs. in Crore | |
|---|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| b) Receivables: | | |
| i. Interest accrued on Inter corporate deposits: | | |
| GMR Tuni Anakapalli Expressways Limited | 0.88 | 0.05 |
| GMR Tambaram Tindivanam Expressways Limited | 0.06 | 0.06 |
| GMR Power & Urban Infra Limited | - | 4.50 |
| GMR Vemagiri Power Generation Limited | 0.79 | 0.42 |
| GMR (Badrinath) Hydro Power Generation Private Limited | 8.50 | 6.97 |
| GMR Bajliholi Hydro Power Pvt Ltd | - | 16.50 |
| GMR Aerostructure Services Limited | 78.96 | 63.53 |
| GMR Kamalanga Energy Limited | 41.52 | 41.30 |
| GMR Londa Hydropower Private Limited | 1.67 | 1.32 |
| GMR Bundelkhand Energy Limited | 14.73 | 11.01 |
| GMR Energy Ltd | 1.24 | 1.81 |
| GMR Warora Energy Limited | 0.07 | - |
| ii. Non-trade Receivables: | | |
| GMR Tuni Anakapalli Expressways Limited | - | 0.84 |
| GMR Tambaram Tindivanam Expressways Limited | 1.35 | 1.35 |
| GMR Power & Urban Infra Limited | - | 0.55 |
| GMR Kamalanga Energy Limited | - | 0.22 |
| GMR Vemagiri Power Generation Limited | - | 0.02 |
| GMR Warora Energy Limited | - | 0.07 |
| iii. Security Deposit: | | |
| Raxa Securities Services Ltd | - | 0.48 |
| GMR Family Fund Trust | - | 0.59 |
| iv. Intercorporate deposits receivable: | | |
| GMR Power & Urban Infra Limited | - | 18.08 |
| GMR Vemagiri Power Generation Limited | 3.94 | 3.42 |
| GMR Ambala Chandigarh Expressway Ltd | 7.72 | 7.72 |
| GMR Enterprises Private Limited | - | 2.40 |
| GMR Mining & Energy Pvt Limited | 0.04 | 0.02 |
| GMR Londa Hydropower Private Limited | 17.42 | 17.05 |
| GMR (Badrinath) Hydro Power Generation Private Limited | 19.45 | 19.45 |
| GMR Bajliholi Hydro Power Pvt Ltd | - | 299.53 |
| GMR Bundelkhand Energy Limited | 34.30 | 34.30 |
| GMR Kamalanga Energy Limited | 179.68 | 179.68 |
| GMR Aerostructure Services Limited | 95.88 | 129.07 |
| GMR Energy Limited | 14.11 | 25.50 |



c.) Investment in Equity Shares of Subsidiaries/ Associates

Investment in Equity Share Capital:

i. Subsidiaries

| | | |
|--------------------------------------|------|------|
| GMR Power & Urban Infra Limited | | - |
| GMR Mining & Energy Private Limited | 0.02 | 0.02 |
| GMR Londa Hydropower Private Limited | 0.01 | 0.01 |

ii. Associates

| | | |
|---|--------|--------|
| GMR Energy Limited (net of impairment) | 484.37 | 711.06 |
| GMR Tuni Anakapalli Expressways Private Limited | 0.27 | 0.27 |
| GMR Tambaram Tindivanam Expressways Private Limited | 0.27 | 0.27 |

d.) Equity Share Capital

| | | |
|---|----------|----------|
| GMR Power & Urban Infra Limited | 1,617.30 | 1,617.30 |
| GMR Energy Projects (Mauritius) Limited | 0.06 | 0.06 |



| 35 A Contingent liabilities and commitments | | (Rs. in crore) | |
|---|----------------|----------------|--|
| Particulars | March 31, 2022 | March 31, 2021 | |
| Contingent Liabilities | | | |
| a. Claim of TANGEDCO for interest on delay in passing on duty draw | 1.56 | 1.56 | |
| b. Claim approved by TNERC pending appeal with APTEL [refer note | 121.37 | 121.37 | |
| c. Debit note received from Hindustan Petroleum Corporation Limited | 1.27 | 1.27 | |
| d. Disputed Land lease rental to TANGEDCO | - | - | |
| e. Disputed Income tax demand including interest | - | - | |
| f. Disputed tax deducted at source including interest | - | - | |

- h. In terms of APTEL and Supreme Court's Order as discussed in Note No. 16, the Company during the year has received an Order from TNERC, wherein it is upheld TANGEDCO's claim amounting to Rs. 121.37 crore consisting of Rs. 114.64 crore as notional interest towards extended credit period and around Rs. 2.66 crore towards freight subsidy and Rs. 4.06 crore as interest on the same. The Company's counter claim of Rs. 191.02 crore under old PPA towards interest on delayed payments, start and stop charges, invoice for nil dispatches and invoice for differential rates for the period from July 2011 to February 2014 has not been adjudicated and adjustments rejected. The Company has preferred an appeal before APTEL on March 12, 2019 against the TNERC Order and intends to persevere the same. The Company has not provided / accounted for the financial impact of the claims / counter claims currently in view of the fact that the matter has not attained finality and is pending proceedings before Hon'ble Supreme Court and appeal before APTEL.
- i. During the year ended March 31, 2011, the Company had received a refund of customs duty of Rs. 29.57 crore which was paid earlier towards the import of the plant and machinery and was passed on to TANGEDCO as a pass through as per the terms of the PPA. During the year ended March 31, 2012, the Company has received an intimation for cancellation of the duty draw back refund received earlier. The Company does not foresee any liability in respect of the same demand as the liability, if any, is to be recovered from TANGEDCO, the ultimate beneficiary of the refund received earlier.
- j. In respect of Assessment Year (AY) 2016-17, the Company during the year has received favourable order from Commissioner of Income-tax Appeals, against the order raising the tax demand, by allowing the MAT Credit including surcharge and Cess, which was not considered at the time of processing the return of income u/s 143(1). The Company was in the process of obtaining the Order Giving Effect Order from the Assessing Officer, pending which the Company had disclosed the same as contingent liability as at 31 March 2021.
- k. The Supreme Court had passed an order dated February 28, 2019 stating that for the purpose of contribution to be made under the Employees Provident Fund and Miscellaneous Provisions Act, 1956 ('EPF Act'), the definition of basic wages includes all emoluments paid in cash to the employees in accordance with the terms of their contract of employment. In view of the same, the Company is liable to make further contribution towards Provident Fund on the entire salary paid by it to its employees other than certain emoluments based on performance and variable. However there is no clarity on effective date from when the liability is required to be paid by the Company in view of which the Company is not able to estimate the provident fund liability arising in view of the order. The Company further is of the view that the liability payable on account of retrospective effect if any will be accounted and paid on clarification if any provided by the Provident Fund Authorities and the impact if any may not be material. The Company is in the process of taking legal opinion in respect of the same.
- l. In respect of the above contingent, liabilities the company does not foresee any cash outflows in future.

Capital and other Commitments

Company as a major shareholder of GMR Rajahmundry Energy Limited (GREL) along with GMR Infrastructure Limited will provide financial support to GREL, as required by the SDR Scheme, to enable the company to meet its liabilities as and when they fall due, operational expense and losses of any for a period not less than 12 months. Out of total committed support of Rs. 50 crore, till March 31, 2018 Rs. 6.65 cr has been provided to GREL. Further, the Company has committed under resolution plan for support to the extent of Rs. 400 crores against which Company has partially funded Rs. 56 crores and for operational support Rs. 11.93 crores was paid during the year ended 31 March, 2019. During the year ended 31 March, 2020 and 31 March, 2021, the Company has funded Rs. 361.12 crore and Rs. 17.65 crore respectively. During the period ended 30 September, 2021, the company has funded Rs. 18.56 crore. Further, the Company has given corporate guarantee to lenders of GMR Rajahmundry Energy Limited (GREL) for the loan taken by GREL.

- 35 B GMR Generation Assets Limited ("GGAL") (earlier called GMR Power Corporation Limited ('GPCL'), now merged into GGAL with effect from March 31, 2019), a subsidiary of the Company, approached Tamil Nadu Electricity Regulatory Commission ("TNERC") to resolve the claims/ counterclaims arising out of the PPA and Land Lease Agreement ('LLA') in respect of the dues recoverable from Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO') on account of sale of energy including reimbursement towards interest on working capital, Minimum Alternate Tax ('MAT'), rebate, start / stop charges and payment of land lease rentals to TAGENDCO. GPCL received a favourable order from TNERC and in pursuance of the Order, filed its claim on April 30, 2010 amounting to Rs. 481.68 crore.

TAGENDCO filed a petition against TNERC Order in Appellate Tribunal for Electricity ('APTEL'). In terms of an interim Order from APTEL dated November 11, 2010, TAGENDCO deposited Rs. 537.00 crore including interest on delayed payment of the claim amount. Subsequently APTEL vide its Order dated February 28, 2012 dismissed the appeal and upheld the TNERC order. TAGENDCO then filed a petition in the Hon'ble Supreme Court challenging the APTEL order in 2012, which appeal is still pending before the Hon'ble Supreme Court.

During the quarter ended September 30, 2021, based on recent legal pronouncements which have provided clarity on the tenability of such appeals as filed by TAGENDCO in the current matter together with advice from independent legal experts, GGAL recognised the aforementioned claims as exceptional item.

APTEL as a part of its order of 28th February, 2012 had further directed erstwhile GPCL to verify and pay counterclaims of TAGENDCO in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL challenged the said direction by way of an appeal in the Hon'ble Supreme Court. The Hon'ble Supreme Court vide its Order dated April 24, 2014, referred the dispute to TNERC for examining the claim of the contesting parties. In November 2018, TNERC issued an order whereby GPCL liability to TAGENDCO was upheld at a value of Rs. 121.37 crore. This order has been challenged by GPCL before APTEL which appeal is pending adjudication. Pending final outcome of the litigation, GPCL has recognised the claims as contingent liability.

GPCL's counter claim of Rs. 191.00 crore under old PPA towards interest on delayed payments, start and stop charges and invoice for nil dispatches and invoice for differential rates for the period from July 2011 to February 2014 has not yet been adjudicated by TNERC.

Hence, pending acceptance of claims by TAGENDCO and pending adjudication of petition before the TNERC, the Group has not recognised the aforesaid claim in the books of account.



36 Employee Benefits

a) Defined Contribution Plans :

The Company's contribution to Provident and Pension Fund and Superannuation Fund charged to Statement

| Particulars | March 31, 2022 | March 31, 2021 |
|----------------------------|----------------|----------------|
| Provident and pension fund | | |
| Superannuation fund | | |
| Total | | |

b) Gratuity

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's financial statements as at March 31,

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| <i>i) Change in defined benefit obligation</i> | | |
| Defined benefit at the beginning | 0.06 | 0.01 |
| Current Service Cost * | 0.01 | 0.00 |
| Interest expenses | 0.00 | 0.00 |
| Acquisition Cost/(Credit) | (0.03) | 0.05 |
| Re-measurement - Actuarial loss / (gain) | (0.00) | (0.01) |
| Benefits paid | | |
| Defined benefit at the end | 0 | 0.06 |
| <i>ii) Change in fair value of plan assets:</i> | | |
| Fair value of Plan Assets at the beginning | 0.00 | 0.29 |
| Expected return on plan assets | 0.00 | 0.02 |
| Acquisition Adjustment | 0.00 | (0.02) |
| Actuarial gains/ (losses) | 0.00 | 0.01 |
| Contributions by employer | 0.00 | 0.00 |
| Benefits paid | 0.00 | (0.30) |
| Fair value of plan assets at the end | - | - |

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| <i>iii) Amount Recognized in the Balance Sheet</i> | | |
| Present Value of Obligation as at year end | 0 | 0 |
| Fair Value of plan assets at year end | - | - |
| Net (asset) / liability recognised | 0.04 | 0.06 |
| <i>iv) Amount recognized in the Statement of Profit and Loss under employee benefit expenses.</i> | | |
| Current Service Cost | 0 | 0 |
| Net interest on net defined benefit liability / (asset) | 0 | 0 |
| Total expense | 0.01 | 0.00 |
| <i>v) Recognised in other comprehensive income for the year</i> | | |
| Actuarial changes arising from changes in demographic assumptions | (0.00) | (0) |
| Actuarial changes arising from changes in financial assumption | | |
| Actuarial changes arising from changes in experience adjustments | | |
| Return on plan assets excluding interest income | - | - |
| Recognised in other comprehensive income | (0.00) | (0.01) |
| <i>vi) Maturity profile of defined benefit obligation</i> | | |
| Within the next 12 months (next annual reporting period) | 0.00 | 0.00 |
| Between 2 and 5 years | 0.01 | 0.02 |
| Between 5 and 10 years | 0.03 | 0.04 |



vii) Quantitative sensitivity analysis for significant assumptions is as below:

Increase / decrease on present value of defined benefit obligation as at year end

| | | |
|--|--------|--------|
| (i) one percentage point increase in discount rate | (0.00) | (0.00) |
| (ii) one percentage point decrease in discount rate | 0.00 | 0.01 |
| (i) one percentage point increase in salary escalation rate | 0.00 | 0.01 |
| (ii) one percentage point decrease in salary escalation rate | (0.00) | (0.00) |
| (i) one percentage point increase in employee turnover rate | 0.00 | 0.00 |
| (ii) one percentage point decrease in employee turnover rate | (0.00) | (0.00) |

Sensitivity Analysis Method

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit

| Particulars | March 31, 2022 | March 31, 2021 |
|---|--|--|
| <i>viii) The major category of plan assets as a</i> | | |
| Investment with Insurer managed funds | 100% | 100% |
| <i>ix) Actuarial Assumptions</i> | | |
| Discount rate (p.a.) | 7.10% | 6.80% |
| Salary escalation | 6.00% | 6.00% |
| Weighted average duration of defined benefit obligation | 10 Years | 10 Years |
| Mortality rate during employment | Indian Assured Lives Mortality (2006-08) Ult | Indian Assured Lives Mortality (2006-08) Ult |
| Rate of employee turnover | 5.00% | 5.00% |

The Company contributes all ascertained liabilities towards gratuity to the Life Insurance Corporation of India (LIC). As of March 31, 2022 and March 31, 2021, the plan assets have been invested in insurer managed funds.

Notes:

- The estimates of future salary increases, considered in actuarial valuation, take into consideration for inflation, seniority, promotion and other relevant factors.
- The expected return on plan assets is determined considering several applicable factors such as the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Group's policy for plan asset management. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government bonds.

c) Leave Encashment

Liability towards Leave Encashment based on Actuarial valuation amounts to Rs.8,94,910 as at March 31, 2022

- 37 The Management of the Company is of the opinion that no provision is required to be made in its books of account other than those already provided if any, with respect to any material foreseeable losses under the applicable laws, accounting standards or long term contracts including derivative contracts.

38 Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Company uses Foreign exchange forward contracts to manage some of its transaction exposures. The Foreign exchange Forward Contracts are not designated as Cash flow Hedges and are entered into for periods consistent with Foreign Currency exposure of the underlying transactions, generally for a period of One Year

| Particulars | (Rs. in crore) | |
|--|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Fair Value of foreign exchange forward contracts not designated as hedging instruments | - | 0.01 |

39 Operating Lease

The Company has not entered into non cancellable operating lease agreements for land on which the plant is being run.

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Lease rentals under non cancellable lease | - | - |

40 Exceptional Item

| Particulars | (Rs. in crore) | |
|---|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| a. Provision/Stroke write off for Impairment of Investment at amortized cost stroke doubtful loans & advances | - | - |
| b. Liability no longer required (Refer Note 29 B) | - | - |

- 41 The company has not dealt with any party as defined under the provisions of of Micro, Small and Medium Enterprises Development Act, 2006 during the period.

42 Segment Reporting

The company is engaged primarily in the business of generation of power and investment in power projects. Accordingly separate primary and secondary segment reporting issued by the ICAI are not applicable to the present activities of the company.



43 Financial risk management objectives and policies

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- (i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- (ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(a) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

(b) Market risk- Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

i. Foreign currency exposure

The following table demonstrate the unhedged exposure in USD exchange rate as at March 31, 2022 & March 31, 2021. The Company's exposure to foreign currency changes for all other currencies is not material.

| Particulars | Amount in crore | |
|---------------------------------------|-----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Other financial and other liabilities | - | - |
| | | - |

Credit risk

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs.1,775.69 cr and Rs1,753.54 cr as at March 31, 2022 and March 31, 2021 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments and other financial assets.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company does not hold collateral as security.

The Company's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer.

With respect to trade receivables / unbilled revenue, the Company has constituted the terms to review the receivables on a periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.



Liquidity risk

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period.

| (Rs. in crore) | | | | |
|-------------------------------|---------------|-----------------|-----------|-----------------|
| Particulars | 0-1 year | 1 to 5 years | > 5 years | Total |
| March 31, 2022 | | | | |
| Borrowings | 82.66 | 1,109.33 | - | 1,191.99 |
| Convertible preference shares | - | - | - | - |
| Trade payables | 38.58 | - | - | 38.58 |
| Other financial liabilities | 81.12 | - | - | 81.12 |
| Trade payables | - | - | - | - |
| Total | 202.36 | 1,109.33 | - | 1,311.69 |
| March 31, 2021 | | | | |
| Borrowings | 55.05 | 1,374.34 | - | 1,429.39 |
| Trade payables | 78.32 | - | - | 78.32 |
| Other financial liabilities | 92.24 | - | - | - |
| Trade payables | - | - | - | - |
| Total | 225.61 | 1,374.34 | - | 1,507.71 |

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the policies and procedures of the Company include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)

CIN- U40104MH2010PLC282702

Notes to the Audited Standalone financial statements for the year ended March 31, 2022**45 Capital management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and sale of certain assets, long-term and short-term bank borrowings and issue of non-convertible / convertible debt securities and strategic partnership with investors.

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference share, share premium and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with.

| Particulars | (Rs. in crore) | |
|---|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 |
| Borrowings other than convertible preference shares | 1,191.99 | 1,429.39 |
| Total debt (i) | 1,191.99 | 1,429.39 |
| Capital components | | |
| Equity share capital | 1,968.43 | 1,968.43 |
| Other equity | (2,608.01) | (2,682.92) |
| Non-controlling interests | - | - |
| Convertible preference shares (refer note 19) | - | - |
| Total Capital (ii) | (639.58) | (714.49) |
| Capital and borrowings (iii = i + ii) | 552.41 | 714.90 |
| Gearing ratio (%) i / iii | 215.78% | 199.94% |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the periods ended March 31, 2022 and March 31, 2021.



44 Fair value hierarchy

| Particulars | (Rs. in crore) | | | |
|---|---|---------|---------|---------|
| | Fair value measurements at reporting date using | | | |
| | Total | Level 1 | Level 2 | Level 3 |
| March 31, 2022 | | | | |
| Financial assets | | | | |
| Investments (other than investments in associates and joint ventures) | - | - | - | - |
| Foreign exchange forward contracts | - | - | - | - |
| Financial liabilities | | | | |
| Principal and interest rate swap | - | - | - | - |
| Call spread option | - | - | - | - |
| Foreign exchange forward contracts | - | - | - | - |
| March 31, 2021 | | | | |
| Financial assets | | | | |
| Investments (other than investments in associates and joint ventures) | - | - | - | - |
| Principal and interest rate swap | - | - | - | - |
| Financial liabilities | | | | |
| Principal and interest rate swap | - | - | - | - |
| Foreign exchange forward contracts | - | - | - | - |

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Derivative contracts are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(iii) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

(iv) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.



Standalone statements of profit and loss for the period ended December 31, 2021

(Rs. in crore)

| Particulars | December 31, 2021 |
|---|-------------------|
| Continuing operations | |
| INCOME | |
| Revenue from operations | 1.43 |
| Other income | 51.10 |
| Total income | 52.53 |
| EXPENSES | |
| Employee benefit expenses | 0.71 |
| Finance costs | 164.76 |
| Depreciation & amortisation expenses | 2.19 |
| Impairment of assets | (0.00) |
| Other expenses | 5.23 |
| Total expenses | 172.89 |
| Profit/(loss) before exceptional items and tax from continuing operation | (120.36) |
| Exceptional item | (502.77) |
| Profit/(loss) before tax from continuing operation | 382.41 |
| Adjustments of tax relating to earlier periods | 4.00 |
| Total tax expenses | 4.00 |
| Profit/(loss) after tax from continuing operations | 378.41 |
| Weighted average number of equity shares for basic EPS | 196.84 |
| Basic | 1.92 |

* Previous year figure have been re-grouped/re-classified wherever it is necessary



GMR GENERATION ASSETS LTD. (GMR RENEWABLE ENERGY LTD)
CIN- U40104MH2010PLC282702

The composite scheme of amalgamation and arrangement for amalgamation of GMR Power Infra Limited (GPIL) with the GMR Infrastructure Limited ('GIL') and demerger of Engineering Procurement and Construction (EPC) business and Urban Infrastructure Business of GIL (including Energy business) into the Company ("Scheme") was approved by the Hon'ble National Company Law Tribunal, Mumbai bench ("the Tribunal") vide its order dated December 22, 2021 (formal order received on December 24, 2021). The said Tribunal order was filed to the Registrar of Companies by GIL, GPIL and Company on December 31, 2021 thereby making the Scheme effective. After scheme become effective, GPUL becomes Parent Company. The financial Statements on the date of demerger (i.e. Dec 31, 2021) taking effect are summarized below.

Standalone Balance Sheet as at December 31, 2021

| Particulars | (Rs. in crore) December 31, 2021 |
|---|-------------------------------------|
| ASSETS | |
| Non-current assets | |
| Property plant and equipment | 0.18 |
| Right of use | 0.09 |
| Intangible assets | 5.61 |
| Investment in subsidiaries, associate and a joint venture | 711.63 |
| Loans | 0.01 |
| Other financial assets | 0.60 |
| Income tax asset | 3.73 |
| Other non current assets | 0.07 |
| | <u>721.92</u> |
| Current assets | |
| Trade receivables | 114.57 |
| Cash and cash equivalents | 16.99 |
| Loan | 760.55 |
| Other financial assets | 197.92 |
| Other current assets | 6.95 |
| | <u>1,096.98</u> |
| Assets classified as held for disposal | 57.88 |
| Total assets | <u>1,876.78</u> |
| EQUITY AND LIABILITIES | |
| EQUITY | |
| Share capital | 1,968.43 |
| Other equity | (2,304.45) |
| Equity attributable to equity holders of the parent | -336.02 |
| Non-controlling interests | - |
| | <u>-336.02</u> |
| LIABILITIES | |
| Non-current liabilities | |
| Financial liabilities | |
| Long term borrowings | 1,531.44 |
| Other financial liabilities | 75.46 |
| Provisions | 0.12 |
| | <u>1,607.02</u> |
| Current liabilities | |
| Financial liabilities | |
| Short term borrowings | 50.87 |
| Trade payables | - |
| (a) total outstanding dues of micro and small enterprises | - |
| (b) total outstanding dues of other than micro and small enterp | 51.89 |
| Other financial liabilities | 87.84 |
| Provisions | 0.03 |
| Other current liabilities | 415.15 |
| | <u>605.78</u> |
| Total liabilities | <u>2,212.80</u> |
| Total equity and liabilities | <u>1,876.78</u> |



47 Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2022 and March As at March 31, 2022

| (Rs. in crore) | | | | | |
|--|--|--|-----------------|----------------------|------------------|
| Particulars | Fair value through statement of profit or loss | Derivative instruments not in hedging relationship | Amortised cost | Total Carrying value | Total Fair value |
| Financial assets | | | | | |
| (i) Investments (other than investments in associates) | - | - | - | - | - |
| (ii) Loans | - | - | 372.55 | 372.55 | 372.55 |
| (iii) Trade receivables | - | - | 114.24 | 114.24 | 114.24 |
| (iv) Cash and cash equivalents | - | - | 17.03 | 17.03 | 17.03 |
| (v) Bank balances other than cash and cash equivalents | - | - | - | - | - |
| (v) Other financial assets | - | - | 150.62 | 150.62 | 150.62 |
| Total | - | - | 654.43 | 654.43 | 654.43 |
| Financial liabilities | | | | | |
| (i) Borrowings | - | - | 1,109.33 | 1,109.33 | 1,109.33 |
| (ii) Trade payables | - | - | - | - | - |
| (iii) Foreign exchange forward contracts | - | - | - | - | - |
| (iv) Principal and interest rate swap | - | - | - | - | - |
| (v) Call spread option | - | - | - | - | - |
| (ii) Trade payables | - | - | 38.58 | 38.58 | 38.58 |
| (iii) Other financial liabilities | - | - | 81.12 | 81.12 | 81.12 |
| (iii) Financial guarantee contracts | - | - | 41.15 | 41.15 | 41.15 |
| Total | - | - | 1,270.18 | 1,270.18 | 1,270.18 |

As at March 31, 2021

| (Rs. in crore) | | | | | |
|--|--|--|-----------------|----------------------|------------------|
| Particulars | Fair value through statement of profit or loss | Derivative instruments not in hedging relationship | Amortised cost | Total Carrying value | Total Fair value |
| Financial assets | | | | | |
| (i) Investments (other than investments in associates) | - | - | - | - | - |
| (ii) Loans | - | - | 725.68 | 725.68 | 725.68 |
| (iii) Trade receivables | - | - | 114.14 | 114.14 | 114.14 |
| (iv) Cash and cash equivalents | - | - | 0.22 | 0.22 | 0.22 |
| (v) Bank balances other than cash and cash equivalents | - | - | - | - | - |
| (v) Other financial assets | - | - | 201.83 | 201.83 | 201.83 |
| Total | - | - | 1,041.88 | 1,041.88 | 1,041.88 |
| Financial liabilities | | | | | |
| (i) Borrowings | - | - | 1,374.34 | 1,374.34 | 1,374.34 |
| (ii) Trade payables | - | - | 78.32 | 78.32 | 78.32 |
| (iii) Other financial liabilities | - | - | 106.13 | 106.13 | 106.13 |
| (iv) Financial guarantee contracts | - | - | 41.15 | 41.15 | 41.15 |
| Total | - | - | 1,599.94 | 1,599.94 | 1,599.94 |

48 The Company has strategic investments by way of Equity and Loans Company has initiated process with RBI for NBFC / CIC registration


As per our report of even date
For PHANIBHUSHAN & CO.
Chartered Accountants
ICAI Firm registration number:

M PHANI BHUSHAN KUMAR
Partner
Membership No: 223397

For and on behalf of Board of Directors of
GMR GENERATION ASSETS LTD

NIKHIL DUJARI
DIRECTOR
DIN No 07684905

ASHIS BASU
DIRECTOR
DIN No 01872233


PARVEEN AGARWAL
CHIEF FINANCIAL OFFICER
PAN : ACJPA8717D

CHIRAG BHAYAL
COMPANY SECRETARY
ACS : A45462

Place: HYDERABAD
Date: 18th April, 2022

Place: DELHI
Date: 18th April, 2022

