FINANCIAL STATEMENTS FOR THE YEAR 2020-21

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

RATNAGIRI GAS & POWER PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2021

₹ Crore

Particulars	Notes	31-Mar-21	31-Mar-20
ASSETS			
Non Current Assets			
Property, Plant and Equipment	4	976.73	1,176.68
Capital Work-in-Progress	5	25.08	28.52
Intangible Assets	6A	0.17	0.54
Intangible Assets under Development	6B	0.47	0.33
Financial Assets			
Investments	7	-	0.01
Loans	8	2.54	3.55
Other Non Current Assets	9	31.70	53.63
Sub-Total (A)		1,036.69	1,263.26
Current Assets			
Inventories	10	146.62	142.42
Financial Assets			
Trade Receivables	11	84.25	110.79
Cash and Cash Equivalents	12	190.86	136.28
Other Bank Balances	12	221.86	181.50
Loans	13	0.26	0.26
Other Financial Assets	14	108.57	102.53
Other Current Assets	15	112.29	92.64
Sub-Total (B)		864.71	766.42
Total Assets (A+B)		1,901.40	2,029.68
EQUITY AND LIABILITIES			
EQUITY			
Share Capital	16	3,272.30	4,011.32
Other Equity	17	(3,349.65)	(3,964.21)
Total Equity (C)		(77.35)	47.11
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
Borrowings	18	1,390.67	1,369.31
Provisions	19	12.02	10.73
Sub-Total (D)		1,402.69	1,380.04
Current Liabilities			
Financial Liabilities			
Trade Payables	20		
-Total outstanding dues of micro & small enterprises		0.69	1.89
-Total outstanding dues of creditors other than micro & small enterprises		252.54	228.05
Other Financial Liabilities	21	109.05	182.41
Other Current Liabilities	22	175.43	173.74
Provisions	23	38.35	16.44
Sub-Total (E)		576.06	602.53
Total Equity and Liabilities (C+D+E)		1,901.40	2,029.68
Significant Accounting Policies	3	-	
Notes forming an integral part of these financial statements	30 to 52		

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(Aditya Agarwal)
Company Secretary
& Assistant Manager (Fin)

AJAY SHARMA
(Ajay Sharma)
Chief Financial Officer

ASIM KUMAR SAMANTA
(A K Samanta)
Chief Executive Officer

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Chairman
DIN - 07944144

As per our report of even date
For Doogar & Associates
Chartered Accountants
FRN - 000561N

MUKESH GOYAL Digitally signed by MUKESH GOYAL Date: 2021.06.11 17:35:47 +05'30'
(Mukesh Goyal)
Partner
Membership No - 081810

Place: Noida

RATNAGIRI GAS & POWER PRIVATE LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2021

₹ Crore

Particulars	Notes	Year ended 31.03.2021	Year ended 31.03.2020
Income			
I. Revenue from Operations	24	1,098.39	2,041.14
II. Other Income	25	40.57	75.68
III Total Income (I+II)		1,138.96	2,116.82
Expenses			
Fuel Cost	26	726.93	1,593.32
Employee benefits expenses	27	27.46	27.40
Finance Cost	28	79.55	141.71
Depreciation and amortization expenses	4,6	119.65	400.59
Other expenses	29	175.13	127.91
Impairment of non-current assets	4,5, 6A, 6B	134.70	-
IV. Total Expenses		1,263.42	2,290.93
V. Profit/(Loss) before tax (III - IV)		(124.46)	(174.11)
VI. Tax Expenses		-	-
- Current Year		-	-
-Deferred Tax		-	-
VII. Profit/(Loss) for the Period (V-VI)		(124.46)	(174.11)
Other Comprehensive income			
VIII. Items that maybe reclassified to profit or loss		-	-
IX. Items that will not be reclassified to profit or loss		-	-
X. Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year (VII+ X)		(124.46)	(174.11)
Earning Per Equity Share (Face Value ₹10/-each)	45		
- Basic		(0.38)	(0.53)
- Diluted		(0.38)	(0.53)
Significant Accounting Policies	3		
Notes forming an integral part of these financial statements	30 to 52		

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RATNAGIRI GAS & POWER PVT. LTD * NOIDA *

Place: Noida
Date: 11th June, 2021

RATNAGIRI GAS & POWER PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY

1. Share Capital

(a) Equity Share Capital

₹ Crore

Particulars	Number	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 31 March 2019	3,272,302,436	3,272.30
Issue/ (Reduction) of share capital	-	-
Balance as at 31 March 2020	3,272,302,436	3,272.30
Issue/ (Reduction) of share capital	-	-
Balance as at 31 March 2021	3,272,302,436	3,272.30

(b) Preference Share Capital

₹ Crore

Particulars	Number	Amount
0.01% Cumulative Redeemable Preference shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 31 March 2019	-	-
Issue of shares	3,695,118,498	3,695.12
Redemption of shares	(2,956,094,800)	(2,956.10)
Balance as at 31 March 2020	739,023,698	739.02
Issue of shares	-	-
Redemption of shares	(739,023,698)	(739.02)
Balance as at 31 March 2021	-	-

2. Other Equity

₹ Crore

Particulars	Retained earnings	Self insurance reserve	Total
Balance as at 31 March 2019	(6,946.20)	200.00	(6,746.20)
Add: Profit /(Loss) for the period	(174.11)	-	(174.11)
Other comprehensive income	-	-	-
Total comprehensive income	(7,120.31)	200.00	(6,920.31)
Add: Redemption of 0.01% CRPS	2,956.10	-	2,956.10
Balance as at 31 March 2020	(4,164.21)	200.00	(3,964.21)
Add: Profit /(Loss) for the period	(124.46)	-	(124.46)
Other comprehensive income	-	-	-
Total comprehensive income	(4,288.67)	200.00	(4,088.67)
Add: Redemption of 0.01% CRPS	739.02	-	739.02
Balance as at 31 March 2021	(3,549.65)	200.00	(3,349.65)

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(Mukesh Goyal)
Partner
Membership No - 081810

RATNAGIRI GAS & POWER PVT LTD NOIDA

Place: Noida
Date: 11th June, 2021

RATNAGIRI GAS & POWER PRIVATE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021

₹ Crore

Particulars	31-Mar-21	31-Mar-20
A. Cash Flow from Operating Activities		
Profit Before Tax	(124.46)	(174.11)
Adjustments for:		
Depreciation and amortization of property, plant and equipment and intangible assets	119.23	400.09
Depreciation on right of use assets	0.42	0.51
Interest on lease liabilities	0.21	0.21
Actuarial loss on valuation of earned leaves	0.42	0.77
Finance income (including fair value change in financial instruments)	(10.79)	(19.89)
Finance costs	77.94	140.53
Provision for assets & dimunition in stores	0.08	0.04
Accretion of provision	1.44	0.84
Impairment of assets	134.70	-
Cash flow from operating activities before working capital changes	199.19	348.99
Working capital adjustments:		
Increase / (Decrease) in Current Liabilities:		
Trade Payables	23.30	(18.19)
Other Financial Liabilities	1.34	19.66
Other Current Liabilities	1.69	(1.33)
Provisions	23.20	9.27
(Increase)/ Decrease in Current Assets:		
Financial Assets - Loans	1.01	0.43
Inventories	(4.20)	(1.22)
Trade Receivables	26.54	(40.36)
Other Financial Assets	(6.04)	0.50
Other Current Assets	(19.65)	(29.03)
	246.38	288.71
Income Tax (Paid)/ Refund	21.93	(2.52)
Net Cash Flows from Operating Activities (A)	268.31	286.19
B. Cash Flow from Investing Activites		
Purchase / Sale of Property, Plant and Equipment	(43.96)	(71.15)
Purchase of Intangible Assets	(0.30)	(0.97)
Purchase of CWIP	(10.78)	(6.49)
Interest Received (Finance Income)	10.79	19.89
Net Cash Flows from Investing Activities (B)	(44.26)	(58.71)
C. Cash Flow from Financing activities		
Interest Paid	(77.94)	(140.53)
Purchase of Fixed Deposits	(35.34)	25.30
Repayment of lease liabilities	(0.47)	(0.54)
Interest on lease liabilities	(0.21)	(0.21)
Purchase of Margin Money	(5.02)	(22.03)
Repayment of Borrowings	(50.49)	(140.60)
Net Cash Flows from Financing Activities (C)	(169.47)	(278.61)

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Chief Financial Officer

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Chief Executive Officer

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Membership No - 081810

Place: Noida
Date: 11th June, 2021

RATNAGIRI GAS & POWER * NOIDA

RATNAGIRI GAS & POWER PRIVATE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021

₹ Crore

Particulars	31-Mar-21	31-Mar-20
Net Cash Flows from Operating Activities (A)	268.31	286.19
Net Cash Flows from Investing Activities (B)	(44.26)	(58.71)
Net Cash Flows from Financing Activities (C)	(169.47)	(278.61)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	54.58	(51.13)
Cash and Cash Equivalents at the beginning of the year	136.28	187.41
Cash and Cash Equivalents at year end	190.86	136.28

a. Cash and cash equivalents consist of balances with banks and deposits with original maturity of upto three months.

b. Reconciliation of Cash and Cash Equivalents	31-Mar-21	31-Mar-20
Cash and Cash Equivalents (Note 12)	190.86	136.28
Balance as per Statement of Cash Flows	190.86	136.28

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

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

₹ Crore

Particulars	Current borrowings	Non-current borrowings	Interest on borrowings
For the year ended 31 March 2021			
Balance as at 1 April 2020	125.39	1,367.00	
Loan drawals (in cash) /interest accrued during the year	-	885.00	77.94
Loan repayments/interest payment during the year (in cash)	50.49	885.00	77.94
Others- adjustments for revised repayment schedule	(21.80)	21.80	
Balance as at 31 March 2021	53.10	1,388.80	-
For the year ended 31 March 2020			
Balance as at 1 April 2019	3,837.24	1,492.45	
Loan drawals (in cash) /interest accrued during the year	-	-	140.53
Loan repayments/interest payment during the year (in cash)	3,711.85	125.45	140.53
Balance as at 31 March 2020	125.39	1,367.00	-

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

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Chief Executive Officer

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(Mukesh Goyal)
Partner
Membership No - 081810

Place: Noida
Date: 11th June, 2021

RATNAGIRI GAS & POWER PRIVATE LIMITED

Notes Forming part of Financial Statements

Note 1. Company Information

Reporting entity

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

Note 2. Basis of preparation

1. Statement of Compliance

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

These Financial Statements were authorized for issue by the Board of Directors on 10th June, 2021.

2. Basis of measurement

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

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

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

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3. Functional and presentation currency

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

4. Current and non-current classification

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

An asset is current when it is:

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

RATNAGIRI GAS & POWER PVT. LTD. NOIDA

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

Note 3. Significant accounting policies

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

1. Reserves & Surplus

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

2. Property, plant and equipment

a. Initial recognition and measurement

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

Items of property, plant and equipment are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

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

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

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

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

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

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

b. Subsequent costs

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

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

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably.

The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

c. Decommissioning costs

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

d. De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

e. Depreciation/amortization

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

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

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

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

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

Leasehold land and buildings relating to generation of electricity business are fully amortized over lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

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

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

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

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

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

3. Capital work-in-progress

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

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

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

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

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

4. Intangible assets and intangible assets under development

a. Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

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

RATNAGIRI GAS & POWER PVT. LTD. * NOIDA *

b. Subsequent costs:

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

c. De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

d. Amortization

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

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

5. Borrowing costs

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

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

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

6. Inventories

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

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

7. Cash and cash equivalents

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

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8. Provisions, contingent liabilities and contingent assets

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

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

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

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

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

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

9. Foreign currency transactions and translation

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

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

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

10. Revenue

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

a. Revenue from sale of energy

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

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

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

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

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

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

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (excepted items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. Revenue from sale of energy is recognized once the electricity has been delivered to the customer and is measured through a regular review of usage meters. Customers are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to customers but not yet billed i.e. unbilled revenue.

The incentives/disincentives are accounted for based on the norms notified/approved by the CERC as per principles enunciated in Ind AS 115 – 'Revenue from contracts with customers'.

Part of revenue from sale of energy is recognized based on the rates & terms and conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

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

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

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note No 20 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

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

Contract assets

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

b. Other income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

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

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

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

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

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

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

11. Employee benefits

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

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

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

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

Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The liability for employees' benefits of employees seconded by the promoter organisations in respect of provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits is retained by the respective organisation.

Company's contribution towards employee benefits of employees seconded from NTPC Limited is determined as a percentage of basic pay and dearness allowance under an agreement and in respect of employees seconded from GAIL (India) Limited, the proportionate charge for the period of service of such employees in the company is accounted on the basis of debits raised by such organization, and is recognized in the Statement of Profit and Loss.

12. Other expenses

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

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

13. Income tax

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

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

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

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

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

When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognized. The effect of the uncertainty is recognized using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

14. Leases

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts existing on 1 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount, discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been adjusted and therefore will continue to be reported as per Ind AS 17. The details of accounting policies as per Ind AS 17 are disclosed separately if they are different from those under Ind AS 116.

a. As lessee

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

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

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

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

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

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

In the comparative period, as lessee the leases were accounted as per Ind AS 17 and classified as finance lease and operating lease, and accounted as follows:

Accounting for finance leases

In the comparative period, leases of property, plant and equipment where the Company, as lessee has substantially all risks and rewards of ownership were classified as finance lease. On initial recognition, assets held under finance leases were recorded as property, plant and equipment and the related liability was recognized under borrowings. At inception of the lease, finance leases were recorded at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Minimum lease payments made under finance leases were apportioned between the finance cost and the reduction of the outstanding liability.

The finance cost was allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Accounting for operating leases

In the comparative period, leases in which a significant portion of the risks and rewards of ownership were not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases were recognized as an expense on a straight-line basis over the lease term unless the payments were structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received were recognized as an integral part of the total lease expense, over the term of the lease.

b. As lessor

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

Accounting for finance leases

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

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

Accounting for operating leases

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

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

15. Impairment of non-financial assets

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

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

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

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

16. Operating segments

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

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance expenses and income tax expenses.

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

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

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

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

17. Material prior period errors

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

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18. Earnings per share

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

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

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

19. Cash flow statement

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

20. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Equity investments

All equity investments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments,

the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to 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 profit and loss.

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

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Derecognition

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

• The rights to receive cash flows from the asset have expired, or

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

Impairment of financial assets

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

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
(b) Financial assets that are debt instruments and are measured as at FVTOCI.
(c) Lease receivables under Ind AS 17.
(d) Trade receivables under Ind AS 18.
(e) Loan commitments which are not measured as at FVTPL.
(f) Financial guarantee contracts which are not measured as at FVTPL.

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 recognizing impairment loss allowance based on 12-month ECL.

b. Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well

as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

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Financial liabilities at fair value through profit or loss

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

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

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

Derecognition

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

Derivative financial instruments

Initial recognition and subsequent measurement.

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

Offsetting of financial assets and financial liabilities

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

Use of estimates and management judgments

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

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

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

1. Formulation of accounting policies

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

2. Useful life of property, plant and equipment

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

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

3. Recoverable amount of property, plant and equipment

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

4. Post-employment benefit plans

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

5. Revenues

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

6. Leases not in legal form of lease

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

7. Assets held for sale

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

8. Provisions and contingencies

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

9. Income taxes

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

Notes forming part of Financial Statements

Note 4 : Property, Plant and Equipment-Tangible Assets

₹ in Crore

Description	GROSS BLOCK				DEPRECIATION					Net Block As on 31.03.2021	Net Block As on 31.03.2020
	As on 01.04.2020	Addition During Year	Deduction/ Adjustment	As on 31.03.2021	As on 01.04.2020	Addition During Year	Impairment Loss during the year*	Deduction/ Adjustment	As on 31.03.2021		
Land (Including Development Expenses)											
- Freehold	0.30	-	-	0.30	-	-	-	-	-	0.30	0.30
- Leasehold	7.64	-	-	7.64	4.42	0.31	1.29	-	6.02	1.62	3.22
Roads, bridges, culverts & helipads	1.46	-	-	1.46	1.16	0.02	0.09	-	1.27	0.19	0.30
Building											
Freehold											
- Main plant	228.95	-	-	228.95	194.20	0.97	6.49	-	201.66	27.29	34.75
- Others	44.52	0.61	-	45.13	35.55	0.54	2.70	(0.24)	39.03	6.10	8.97
Leasehold-Own	2.82	-	-	2.82	2.20	0.05	0.07	-	2.32	0.50	0.62
Leasehold-Others (ROU)	3.43	-	0.85	2.58	0.51	0.42	-	0.42	0.51	2.07	2.92
Temporary erection	5.92	0.80	-	6.72	5.56	0.11	0.38	-	6.05	0.67	0.36
Water supply, drainage & sewerage system	84.32	0.33	-	84.65	75.35	0.43	0.24	-	76.02	8.63	8.97
Plant and equipment - Owned@	8,458.94	47.27	-	8,506.21	7,375.82	110.27	109.69	(0.58)	7,596.36	909.85	1,083.12
Furniture and fixtures	3.59	0.37	0.00	3.96	2.37	0.12	0.66	0.00	3.15	0.81	1.22
Vehicles including Ambulance - Owned	0.65	0.25	-	0.90	0.58	0.01	0.13	-	0.72	0.18	0.07
Other Office equipment	3.29	0.16	-	3.45	2.28	0.15	0.42	-	2.85	0.60	1.01
EDP, WP machines and satcom equipment	4.54	0.26	0.02	4.78	3.04	0.39	0.65	0.01	4.07	0.71	1.50
Electrical installations and equipments	381.35	1.31	-	382.66	326.94	5.21	7.28	(0.12)	339.55	43.11	54.41
Communication equipments	1.40	0.08	-	1.48	1.16	0.04	0.06	-	1.26	0.22	0.24
Hospital equipments	0.16	-	-	0.16	0.13	0.01	0.01	-	0.15	0.01	0.03
Laboratory and workshop equipments	30.76	0.52	-	31.28	26.15	0.35	0.98	-	27.48	3.80	4.61
Retired assets/ Unserviceable	0.21	-	-	0.21	-	-	-	-	-	0.21	0.21
Sub Total	9,264.25	51.96	0.87	9,315.34	8,057.42	119.40	131.14	(0.51)	8,308.47	1,006.88	1,206.83
Less: Provision @	139.34	-	-	139.34	109.19	-	-	-	109.19	30.15	30.15
Total	9,124.91	51.96	0.87	9,176.00	7,948.23	119.40	131.14	(0.51)	8,199.28	976.73	1,176.68
Previous Year	9,051.19	74.59	0.87	9,124.91	7,548.24	400.33	-	0.34	7,948.23	1,176.68	1,502.95

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

@ Plant & machinery includes Single Point Mooring (SPM) which was sunk in sea during financial year 2015-16 in monsoon period. The WDV as on 31/03/2018 is ₹ 30.15 crores (Refer Note 35)

a) Carrying amount of tangible assets are pledged as security for borrowings. (Refer Note 18 & 21)

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

₹crore

	Gross Block		Depreciation and Amortization	
	For the year ended		For the year ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Disposal of assets	0.02	0.87	0.01	0.34
Others	0.85	-	0.42	-
	0.87	0.87	0.43	0.34

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

₹crore

	For the year ended 31.03.2021		For the year ended 31.03.2020	
	Exchange differences included in PPE/CWIP	Borrowings costs included in PPE/CWIP	Exchange differences included in PPE/CWIP	Borrowings costs included in PPE/CWIP
Building/Plant & Machinery/Others/etc.	-	-	-	-
	-	-	-	-

RATNAGIRI GAS & POWER PVT. LTD * NOIDA *

Notes forming part of Financial Statements

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

₹crore

	31.03.2021	31.03.2020
Roads, bridges, culverts & helipads	0.09	0.09
Building Freehold Main Plant	127.32	127.32
Building Freehold Others	5.70	5.70
Temporary erection	5.90	5.82
Water supply, drainage & sewerage system	83.32	62.87
Plant and equipment - Owned@	7,795.95	5,312.90
Furniture and fixtures	1.73	1.38
Vehicles including Ambulance - Owned	0.65	0.65
Other Office equipment	2.09	1.62
EDP, WP machines and satcom equipment	2.85	2.26
Electrical installations and equipments	326.60	211.46
Communication equipments	1.23	0.85
Hospital equipments	0.03	0.01
Laboratory and workshop equipments	1.20	0.62
	8,354.66	5,733.55

Note 5 : Capital Work in Progress

₹ in Crore

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

a) Carrying amount of Capital Work in Progress are pledged as security for borrowings. (Refer Note 18 & 21)

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

Note 6A : Intangible Assets

₹ in Crore

Description	GROSS BLOCK				DEPRECIATION					Net Block As on 31.03.2021	Net Block As on 31.03.2020
	As on 01.04.2020	Addition During Year	Deduction/ Adjustment	As on 31.03.2021	As on 01.04.2020	Addition During Year	Impairment Loss during the year	Deduction/ Adjustment	As on 31.03.2021		
Software	1.81	0.10	-	1.91	1.27	0.25	0.22	-	1.74	0.17	0.54
TOTAL	1.81	0.10	-	1.91	1.27	0.25	0.22	-	1.74	0.17	0.54
Previous Year	1.17	0.64	-	1.81	1.01	0.26	-	-	1.27	0.54	0.16

a) Carrying amount of intangible assets are pledged as security for borrowings. (Refer Note 18 & 21)

b) Gross carrying amount of the fully amortized intangible assets that are still in use:

₹crore

	31.03.2021	31.03.2020
Software	1.19	0.93
	1.19	0.93

Note 6B : Intangible Assets under Development

₹ in Crore

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

RATNAGIRI GAS & POWER PVT. LTD. * NOIDA *

Note 7 - Investments

As At		31-Mar-21	₹ Crore 31-Mar-20
Unquoted Investment carried at FVTPL			
Investment in Equity Instrument			
Konkan LNG Limited#		-	0.01
10,000 Equity shares of ₹10/- each fully paid up			
	Total	-	0.01

During the current year the company has disinvested its investments. (P.Y. - Book value of investment has been considered as fair value in view of insignificant amount)

a. Investments have been valued as per accounting policy no. 20 (Note 3).

Note 8 - Non Current Financial Assets - Loans

As At		31-Mar-21	₹ Crore 31-Mar-20
Security deposits		2.25	3.22
Loans (Considered Good, Unless otherwise stated)@			
Employees (including interest accrued)			
Secured		0.11	0.15
Unsecured		0.18	0.18
	Total	2.54	3.55

@ Loans given to employees have been recognised at book value in view of insignificant amount

Directors	-	-
Officers	0.05	0.07

Note 9 - Other Non - Current Assets

As At		31-Mar-21	₹ Crore 31-Mar-20
Advance tax and Tax Deducted at Source		31.70	389.60
Less: Provision for Tax		-	(335.97)
	Total	31.70	53.63

Note 10 - Inventories

As At		31-Mar-21	₹ Crore 31-Mar-20
Stores and spares		148.44	145.00
Others		5.72	4.88
Less: Provision for Losses/Obsolescence*		(7.54)	(7.46)
	Total	146.62	142.42
Stores & Spares include Material in Transit		0.17	0.11

a. Carrying amount of inventories are pledged as security for borrowings. (Refer Note 18 & 21)

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

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

* Includes provision of ₹ 6.42 crore (P.Y. ₹6.35 crore) towards dimunition in value of Distillate based on realisable value

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

Note 11 Trade receivables

₹ Crore

As At	31-Mar-21	31-Mar-20
Other than related parties		
- Considered good, Secured	-	-
- Considered good, Unsecured	84.25	110.79
-Receivable which have significant increase in credit risk	-	-
-Receivables credit impaired	392.54	323.77
Less: Allowances for bad & doubtful debts	(392.54)	(323.77)
Total	84.25	110.79

a) Carrying amount of trade receivables are pledged as security for borrowings. (Refer Note 18 & 21)

b) Amounts receivable from related parties are disclosed in Note No 38

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

Note 12 - Cash and Bank balances

₹ Crore

As At	31-Mar-21	31-Mar-20
Cash & cash equivalents:		
Balances with banks:		
- Current accounts	7.94	9.48
- Deposits with original maturity less than three months (incl. interest accrued)	182.92	126.79
Cash/Cheques in hand	-	0.01
(A)	190.86	136.28
Other bank balances:		
Deposits with original maturity of more than 3 months but less than 12 months (incl. interest accrued)	107.49	72.15
Margin against Letter of Credit	93.34	88.44
Margin against Bank Guarantee	21.03	20.91
(B)	221.86	181.50
Total (A+B)	412.72	317.78

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

b) Margin of ₹ 20.69 crore (Previous Year ₹ 20.81 crore) is with IDBI Bank Limited, Mumbai, for furnishing Bank Guarantee of ₹ 80 crore (Previous Year ₹ 80 crore) to Customs Department

c) Margin of ₹ 0.34 crore, (Previous Year ₹ 0.09 crore) is with State Bank of India, Chiplun, for furnishing Bank Guarantee of ₹ 0.30 crore (Previous Year ₹ 0.05 crore) to Pollution Control Department.

RATNAGIRI GAS & POWER PVT. LTD. * NOIDA *

Note 13 - Current Financial Assets - Loans

₹ Crore

As At	31-Mar-21	31-Mar-20
Security deposits	0.03	-
Loans		
(Considered good, unless otherwise stated)		
Employees (including interest accrued)		
Secured	0.03	0.03
Unsecured	0.20	0.23
Total	**0.26**	**0.26**
Due from directors and officers of the Company		
Directors	-	-
Officers	0.01	0.03

Note 14 - Other Current Financial Assets

₹ Crore

As At	31-Mar-21	31-Mar-20
Unbilled revenue	108.57	102.53
Total	**108.57**	**102.53**

Note 15 - Other Current Assets

₹ Crore

As At	31-Mar-21	31-Mar-20
Claims recoverables		
Unsecured considered good*	88.32	75.66
Considered doubtful	0.07	0.07
Less: Allowance for bad and doubtful debts	(0.07)	(0.07)
Others		
Unsecured	23.97	16.98
Capital advances:		
Unsecured	-	-
Interunit Balances		
Total	**112.29**	**92.64**

* Includes the following:

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

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

c) Includes ₹28.30 crore (P.Y. ₹30.97 crore)recoverable from Konkan LNG Ltd on account of sharing of common services & CISF

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

Notes forming part of Financial Statements

Note 16- Share capital

As At	31-Mar-21	₹ Crore 31-Mar-20
Share capital		
Authorised		
600,00,00,000 Ordinary shares of par value of ₹10/- each (600,00,00,000 Ordinary shares of par value ₹ 10/- each as at 31st March, 2020)	6,000.00	6,000.00
400,00,00,000 Cumulative Redeemable Preference shares of par value of ₹10/- each (400,00,00,000 Cumulative Redeemable Preference shares of par value of ₹10/- each)	4,000.00	4,000.00
	10,000.00	10,000.00
Issued, subscribed and fully paid up		
327,23,02,436 Ordinary equity shares of par value of ₹10/- each (327,23,02,436 Ordinary equity shares of par value ₹ 10/- each as at 31st March, 2020)	3,272.30	3,272.30
Issued, subscribed and fully paid up		
Nil (73,90,23,698 Cumulative Redeemable Preference shares of par value of ₹10/- each)	-	739.02
	3,272.30	4,011.32

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

	As at 31st Mar 2021		As at 31st Mar 2020	
	No of Shares	₹ in crore	No of Shares	₹ in crore
At the beginning of the year	3,272,302,436	3,272.30	3,272,302,436	3,272.30
Addition during the year	-	-	-	-
Outstanding at the end of the year	3,272,302,436	3,272.30	3,272,302,436	3,272.30

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

b) Reconciliation of Cumulative Redeemable Preference shares outstanding at the beginning and at the end of the reporting year

	As at 31st Mar 2021		As at 31st Mar 2020	
	No of Shares	₹ in crore	No of Shares	₹ in crore
At the beginning of the year	739,023,698	739.02	-	-
Addition during the year	-	-	3,695,118,498	3,695.12
Redeemed during the year	739,023,698	739.02	2,956,094,800	2,956.10
Outstanding at the end of the year	-	-	739,023,698	739.02

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

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

	As at 31st Mar 2021		As at 31st Mar 2020	
	% of Holding	Number of Shares	% of Holding	Number of Shares
NTPC Limited	86.49%	2,830,076,305	25.51%	834,556,046
MSEB Holding Company Limited	13.51%	442,226,131	13.51%	442,226,131
GAIL (India) Limited	-	-	25.51%	834,556,046
IDBI Bank Limited	-	-	12.61%	412,592,554
State Bank of India	-	-	10.03%	328,371,833
ICICI Bank Limited	-	-	8.91%	291,668,126

d) Details of Cumulative Redeemable Preference shareholders holding more than 5% shares in the company

	As at 31st Mar 2021		As at 31st Mar 2020	
	% of Holding	Number of Shares	% of Holding	Number of Shares
IDBI Bank Limited	-	-	24.97%	184,556,000
State Bank of India	-	-	19.47%	143,868,000
ICICI Bank Limited	-	-	16.50%	121,961,698
Gas & Power Investment Co. Limited	-	-	25.38%	187,534,000
IFCI Limited	-	-	5.08%	37,510,000

As a part of Composite Resolution Plan, the entire equity shareholding of the Institutional Shareholders being the lenders of the Company was purchased by NTPC Ltd on 31st December, 2020. Further, on 23rd February, 2021, the entire equity shareholding of GAIL (India) Ltd was also purchased by NTPC Ltd.

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

Note 17 - Other equity

₹ Crore

As At		31-Mar-21	31-Mar-20
Other equity:			
Retained earnings			
As per last financial statements		(4,164.21)	(6,946.20)
Add: Redemption of 0.01% Cumulative Redeemable Preference Shares		739.02	2,956.10
Add: Profit/ (loss) for the year		(124.46)	(174.11)
Less: Transferred to self insurance reserve		-	-
	Sub-Total (a)	(3,549.65)	(4,164.21)
Other reserves:			
- Self insurance reserve			
As per last financial statements		200.00	200.00
Add: Creation during the year		-	-
	Sub-Total (b)	200.00	200.00
	Total (a+b)	(3,349.65)	(3,964.21)

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

b) Series V of 0.01% Cumulative Redeemable Preference Shares amounting to ₹739.02 crores were redeemed during the year. Refer Note 51.

Note 18 - Borrowings

₹ Crore

As At	31-Mar-21	31-Mar-20
Term loans - Secured		
From Banks (Rupee Term Loan):		
IDBI Bank Limited	-	326.33
ICICI Bank Limited	-	219.28
State Bank of India	-	254.73
Canara Bank	-	55.03
From Others (Rupee Term Loan):		
Power Finance Corporation Limited	-	193.72
IFCI Limited	-	66.10
Gas & Power Investment Company Limited (GPICL)	-	251.81
NTPC Ltd - Inter Corporate Loan (ICL) - 1	818.62	-
NTPC Ltd - Inter Corporate Loan (ICL) - 2	570.19	-
Lease Liabilities	1.86	2.31
Total	1,390.67	1,369.31

a) Term loans from banks/financial institutions and others were settled on 31st December, 2020 as a part of implementation of Composite Resolution Plan. Refer Note 51.

b) The Term Loan from NTPC Ltd - ICL-1 is repayable in 52 un-equated Quarterly installments starting from the Balance Sheet date and ending on 31st March, 2034, carrying interest @10% p.a., which shall be reviewed and mutually decided at the beginning of each financial year.

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

As the repayment schedule together with rate of interest of ICL-2 is contingent on satisfactory repayment of ICL-1 to the Lender, the Management is of considered opinion that financial liability under loan agreement (ICL-2 is payable on demand and kept the financial liability as total amount novated and payable under loan agreement.

d) Term Loans are secured by equitable mortgage/hypothecation of all present and future fixed and movable assets of Power Plant facility at village Anjanwel, Guhagar, District Ratnagiri.

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

Notes forming part of Financial Statements

Note 19 - Non Current Provisions

As At	31-Mar-21	31-Mar-20
		₹ Crore
Provision for others #		
As per Last Balance Sheet	10.73	7.81
Add: Additions/Adjustments during the year	1.29	2.92
Less: Amount paid/Adjustments during the year	-	-
Total	12.02	10.73

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

Note 20 - Trade Payables

As At	31-Mar-21	31-Mar-20
		₹ Crore
For goods and services		
Total outstanding dues of		
- micro and small enterprises	0.69	1.89
- creditors other than micro and small enterprises	252.54	228.05
Total	253.23	229.94

a. Disclosure as reqired under Companies Act, 2013/ Micro, Small and Medium enterprises as required by MSMED Act, 2006: Refer Note No. 42

b. Amounts payable to related parties are disclosed in Note 38

Note 21 - Other Current Financial Liabilities

As At	31-Mar-21	31-Mar-20
		₹ Crore
At amortised cost:		
Current maturity of long term loans		
From Banks (Rupee Term Loan):		
IDBI Bank Limited	-	29.93
ICICI Bank Limited	-	20.11
State Bank of India	-	23.37
Canara Bank	-	5.05
From Others (Rupee Term Loan):		
Power Finance Corporation Limited	-	17.77
IFCI Limited	-	6.06
Gas & Power Investment Company Limited (GPICL)	-	23.10
NTPC Ltd - Inter Corporate Loan (ICL) - 1	53.10	-
	53.10	125.39
Deposits/Retention Money from Customers/contractors/others@	52.63	53.06
Payable for capital expenditure	0.14	1.60
Expenses payable and other liabilities*	2.83	1.71
Lease Liabilities	0.35	0.65
Total	109.05	182.41

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

b) Disclosure as reqired under Companies Act, 2013/ Micro, Small and Medium enterprises as required by MSMED Act, 2006: Refer Note No. 42

c) Amounts payable to related parties are disclosed in Note 38

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

Note 22 - Other Current Liabilities

₹ Crore

As At		31-Mar-21	31-Mar-20
Statutory dues		3.56	2.13
Advances - Customers		171.58	171.58
- Others		0.29	0.03
	Total	175.43	173.74

Note 23 - Current Provisions

₹ Crore

As At		31-Mar-21	31-Mar-20
Provision for employee benefits			
As per Last Balance Sheet		1.85	1.19
Add: Additions/Adjustments during the year		0.42	0.77
Less: Amount paid during the year		0.14	0.11
	Sub-Total	2.13	1.85
Provision for fixed assets			
As per Last Balance Sheet		0.12	0.12
Add: Additions during the year (C.Y. ₹25,754/-)		0.00	-
Less: Adjustments during the year		-	-
	Sub-Total	0.12	0.12
Provision for Transmission charges*			
As per Last Balance Sheet		14.47	7.01
Add: Additions/Adjustments during the year		36.10	14.47
Less: Adjustments during the year		14.47	7.01
	Sub-Total	36.10	14.47
	Total	38.35	16.44

* - Pending ascertainment of exact amount, provision of ₹36.10 crore (P.Y. ₹ 14.47 crore) was made towards transmission charges payable for power supply to Railways.

Note : 24 Revenue from Operations

For the Year ended		31-Mar-21	31-Mar-20
			₹ Crore
Energy sales		1,428.58	2,348.65
Less: Transmission Charges		330.18	307.51
	Total	1,098.39	2,041.14

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

Note : 25 Other Income

For the Year ended		31-Mar-21	31-Mar-20
			₹ Crore
Interest income from:			
- Loan to employees (C.Y. ₹40,078/-)		0.00	0.01
- Term deposit - Banks		10.79	19.89
- Others		0.86	0.01
Other non-operating income:			
- Sale of scrap		0.45	0.49
-Miscellanoeus income*		28.47	55.28
- Profit on disposal of PPE (C.Y. Nil; P.Y. ₹7,608/-)		-	0.00
	Total	40.57	75.68

* It includes ₹19.11 crore (P.Y. ₹ 15.49 crore) against invoices raised to Konkan LNG Ltd i.r.o. Common Sharing Expenses

Note : 26 Fuel Cost

For the Year ended		31-Mar-21	31-Mar-20
			₹ Crore
Fuel consumed		726.93	1,593.32
	Total	726.93	1,593.32

Note : 27 Employee Benefit expense

For the Year ended		31-Mar-21	31-Mar-20
			₹ Crore
Salaries and wages		22.46	21.80
Contribution to provident and other funds		1.96	2.35
Staff welfare expenses		3.04	3.25
	Total	27.46	27.40

Disclosure required by Ind AS 19 in respect of provision made towards various employees benefits : Refer Note No. 47.

Payments made to Key Managerial Persons have been disclosed at Note No . 38

Note : 28 Finance Costs

For the Year ended		31-Mar-21	31-Mar-20
			₹ Crore
Interest on rupee term loans		77.94	140.53
Others		0.17	0.34
Accretion of provision		1.44	0.84
	Total	79.55	141.71

RATNAGIRI GAS & POWER PVT. LTD. * NOIDA *

Note : 29 Other Expenses

₹ Crore

For the Year ended		31-Mar-21		31-Mar-20
Power charges	1.16		1.14	
Less: Recovered from contractors & employees	(0.01)	1.15	(0.01)	1.13
Stores consumed		0.75		0.91
Rent		0.06		0.29
Water Charges		0.27		1.97
Repairs & maintenance:				
-Buildings	8.44		6.72	
-Plant & machinery	44.32		64.87	
-Others	0.64	53.40	0.78	72.37
Insurance		14.15		12.98
Rates and taxes		5.02		5.03
Training & recruitment expenses		-		0.04
Communication expenses		0.68		0.49
Travelling expenses		0.95		1.29
Tender expenses	-		0.02	
Less : Recoveries	-	-	(0.01)	0.01
Payment to auditors (refer details below)		0.13		0.13
Advertisement and publicity (P.Y. ₹5,000/-)		0.09		0.00
Security expenses		23.11		23.04
Entertainment expenses		0.18		0.30
Expenses for guest house	1.76		1.80	
Less : Recoveries	(0.54)	1.22	(0.36)	1.44
Directors sitting fee (C.Y. ₹15,000/- ; P.Y. ₹30,400/-)		0.00		0.00
Professional charges and consultancy fees		2.95		2.81
Legal expenses		0.01		0.02
EDP hire and other charges		0.21		0.23
Printing and stationery		0.05		0.07
Hiring of vehicles		0.72		0.77
Net Loss/(Gain) in foreign currency transactions & translations		(0.11)		1.02
Miscellaneous expenses		1.31		1.53
Loss on disposal/write-off of fixed assets (C.Y. Nil; P.Y. ₹19,245/-)		-		0.00
Provision for shortages in Fixed Assets (C.Y. ₹25,754/- ; P.Y. Nil)		0.00		-
Provision for dimunition in value of stores		0.07		0.04
Provision for Doubtful Debts		68.76		-
Total		**175.13**		**127.91**

Details in respect of payment to auditors:

	31-Mar-21	31-Mar-20
As auditor		
Audit fee	0.06	0.06
Tax audit fee	0.02	0.02
In Other Capacity		
Other Services	0.04	0.04
Reimbursement of expenses	0.01	0.01
Total	0.13	0.13

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

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

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

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

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

33 Company has imported Naphtha in November'2006-May'2007 in view of power requirement of Maharashtra State and subsequently due to higher cost of electricity on Naphtha and availability of RLNG on commissioning of GAIL's Panvel-Dabhol Gas pipe line; company started using RLNG as a fuel and some quantity of Naphtha remained unutilized. Company has sought permission from Custom Department for sale of the same and accordingly paid custom duty in July'2011. Company has re-exported the available Naphtha in April'14/May'2014. Company has submitted a request to CBEC for extension of time for re-export and claiming duty drawback of ₹ 34.55 crore under section 74 of Customs Act, 1962, since re-export is effected after 2 years from the date of import.

The Central Board of Excise and Customs (CBEC) has extended the period of export beyond 2 years till the date of export, vide its letter no 609/89/2014-DBK/1858-1859 dated 8th September 2017. RGPPL has submitted the application for the duty drawback to Asst. Commissioner, Dapoli on 1st February 2018. The application was rejected by Asst. Commissioner, Dapoli, with the reason that this is a time barred claim and ordered to file an appeal to the Commissioner GST, Pune. Accordingly, Company had filed appeal wih Commissioner GST, Pune and received order in favour, directing Asst Comissioner, Dapoli, to condone the delay and settle the claim on merit. Company has filed the application with Asst. Commmisioner, Dapoli for the duty drawback. The Asst Commissioner, Dapoli, has released the order for refund of ₹ 7.15 crore and rejected the claim of balance ₹27.40 crore. Company has further filed appeal with the Commissioner (Appeals II) GST, Pune, for release of balance amount of ₹27.40 crore.

The recovery of duty drawback on extension of time for re-export & duty drawback shall be considered in Balance Sheet/ Statement of Profit and Loss on receipt of the same.

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

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

36 Contingent liabilities and commitments

(a) Contingent Liablilities

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

(b) Commitments

Estimated amount of contract remaining to be executed on capital account and not provided for as at March 31, 2021 is ₹ 9.35 crore (March 31, 2020 ₹ 10.56 crore).

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

b) Transactions with related parties are as follows:

i) Remuneration to the key management personnel is ₹ 0.80 crore (Previous Year ₹ 1.14 crore) and amount of dues outstanding to the company as on 31st March 2020 are Nil (Previous Year - Nil)

₹ in Crore

Remuneration to KMP & Directors	Current Year	Previous Year
Shri D Paul	0.13	0.21
Shri Asim Kumar Samanta	0.18	-
Shri Rajat Kumar Bagchi	-	0.22
Shri Balaji Iyenger	-	0.13
Shri Ajay Sharma	0.39	0.43
Shri Aditya Agarwal	0.10	-
Shri Ankit Jain	-	0.15
Shri Bhaskar Niyogi - * -₹ 15,000/-, ** ₹ 30,400/- (Sitting Fee)	-*	-**

ii)Transactions with post employment benefit plans:

₹ in Crore

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

iii)Transactions with related parties are as follows:

₹ in Crore

Name of the company / Person	Nature of transaction	Current Year	Previous Year
NTPC Limited	Corporate Loan	1,455.19	-
	Interest on corporate loan	22.06	-
	Other services	0.03	0.38
NTPC Vidyut Vyapaar Nigam Limited	Intermediary for Sale of power	1.50	0.68
	Sale of power	10.21	8.18
Utility Powertech Limited (UPL)	Contract for works/services received by the company	32.66	25.24

c) Outstanding balances with related parties are as follows:

₹ in Crore

Particulars	Current Year	Previous Year
Amount recoverable		
- From NTPC Vidyut Vyapaar Nigam Limited	6.51	0.05
Amount payable		
- To NTPC Limited	1,443.62	0.33
- To Utility Powertech Limited	4.29	8.21
- To NTPC Vidyut Vyapaar Nigam Limited	0.96	-

RATNAGIRI GAS & POWER PVT. LTD. * NOIDA *

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

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

Particulars	2020-21	2019-20
Fuel	1.30	1.79
Others	10.27	17.88
Total	11.57	19.67

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

a) List of Related parties:

i) Holding Company:

NTPC Limited

ii) Key Management Personnel (KMP):

Shri D Paul	Managing Director (from 01.04.2020 to 15.06.2020)
Shri Sital Kumar	Managing Director (from 15.06.2020 to 03.12.2020)
Shri Asim Kumar Samanta	Managing Director (w.e.f. 16.12.2020)
Shri Aditya Agarwal	Company Secretary
Shri Ajay Sharma	Chief Financial Officer

iii) Directors Other than Key Management Personnel (KMP):

Shri Chandan Kumar Mondol	Chairman (from 01.04.2020 to 14.12.2020)
Shri Sital Kumar	Chairman (w.e.f. 14.12.2020)
Shri Parrag Jaiin Nainutia	Non-executive Director (from 01.04.2020 to 13.05.2020)
Shri Sanjeev Kumar	Non-executive Director (from 01.04.2020 to 01.06.2020)
Shri Sanjay Khandare	Non-executive Director (w.e.f 29.09.2020)
Shri Pankaj Patel	Non-executive Director (from 01.04.2020 to 26.03.2021)
Shri A K Tiwari	Non-executive Director (from 01.04.2020 to 07.07.2020)
Shri Prasoon Kumar	Non-executive Director (from 01.04.2020 to 26.03.2021)
Shri Rakesh Kumar Jain	Non-executive Director (from. 10.07.2020 to 26.03.2021)
Shri Aditya Dar	Non-executive Director
Shri Manoj Sharma	Non-executive Director (from 01.04.2020 to 03.02.2021)
Shri Bhaskar Niyogi	Non-executive Director (from 01.04.2020 to 09.01.2021)
Shri Anilraj Chellan	Non-executive Director (from 01.04.2020 to 21.01.2021)

iv) Post Employment Benefit Plan:

RGPPL Employees Gratuity Fund Trust

v) Subsidiary / Joint Venure of NTPC Ltd:

NTPC Vidyut Vyapaar Nigam Limited

Utility Powertech Limited

vi) Entities under the control of the same government:

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

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

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

₹ in Crore

Name of the company / Person	Nature of transaction	Current Year	Previous Year
GAIL (India)Limited	Purchase of Fuel	726.93	1,593.32
Power System Operations Corporation Ltd	Other Payments	83.41	40.03
Hindustan Petroleum Corporation Ltd	Purchase of Oil Products	1.39	1.26
The Oriental Insurance Company Ltd	Insurance	14.15	14.07
Central Railways Maharashtra	Sale of Energy	469.80	924.25
Western Railways Gujarat		218.67	381.15
West Central Railways Madhya Pradesh		250.92	376.23
South Eastern Railways Jharkhand		165.93	253.78
South Western Railways Karnataka		80.46	138.26
North Central Railways Uttar Pradesh		186.96	225.37

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

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

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

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

iv) Outstanding balances are unsecured and settlement occurs through adjustment/banking transactions. These balances other than loans are interest free. For the year ended March 31, 2021 and March 31, 2020, the Company has not recorded any impairment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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

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

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

40 Disclosure as per Ind AS 116 'Leases'

Company as Lessee

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

(i) The following are the carrying amounts of Right of Use Assets (ROU) recognised and the movements during the perioc ₹ crore

Particulars	For the Year ended 31st March 2021	For the Year ended 31st March 2020
Opening Balance	2.92	0.93
- Additions in ROU Assets	-	2.50
- Depreciation charged during the year	0.42	0.51
- Adjustments due to closure of contracts	0.43	-
Closing Balance	2.07	2.92

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

Particulars	For the Year ended 31st March 2021	For the Year ended 31st March 2020
Opening Balance	2.96	0.84
- Additions in lease liabilities	-	2.44
- Interest cost during the year	0.21	0.21
- Payment of lease liabilities	0.47	0.53
- Adjustments due to closure of contracts	0.49	-
Closing Balance	2.21	2.96
Current	0.35	0.65
Non Current	1.86	2.31

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

Contractual undiscounted cash flows	As at 31st March 2021	As at 31st March 2020
3 months or less	0.08	0.11
3-12 Months	0.27	0.49
1-2 Years	0.37	0.69
2-5 Years	1.22	1.16
More than 5 Years	1.03	1.46
Lease liabilities as at closing of the year	2.97	3.91

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

Particulars	For the Year ended 31st March 2021	For the Year ended 31st March 2020
Depreciation expense for right-of-use assets	0.35	0.51
Interest expense on lease liabilities	0.21	0.21

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

Particulars	For 31st March 2021	For 31st March 2020
Cash Outlow from leases	0.47	0.53

41 Going concern

In view of non-recovery of capacity charges from beneficiaries as stated in Note No. 46 and under-utilization of power generation capacity, the company has incurred losses amounting to ₹ 3,349.65 crore up to March 31, 2021 (for the year Loss ₹ 124.46 crore) and the net worth of the company as on March 31, 2021 stands as negative ₹ 77.35 crore. Company has also provided impairment loss of ₹ 2,597.17 crore (for the year ₹ 134.70 crore) upto March 31, 2021 in the books of accounts. However, the management has prepared and presented financial statements of the company on a going concern basis in view of the following mitigating factors:

a) The Company has entered into a long term Power Purchase Agreement (PPA) with Indian Railways for supply of 500 MW power for the period of 5 years w.e.f.01.04.2017 and company is hopeful to continue its operations even after tenure of the PPA.

Further, company has started supplying 12 MW power to Daman and Diu, w.e.f.01.01.2019, under existing PPA for 25 years. In addition to the above, Company is also supplying 10 MW power to Konkan LNG Ltd in accordance with the MoU.

b) During the year, Composite Resolution Plan with the Lenders of the Company has been executed. As per the Plan, the Company has carried out one time settlement with Lenders with funding support of NTPC Limited. Their total debt amounting to ₹ 1,461.05 crore has been settled at ₹ 890.86 crore (₹ 5.86 crore paid by the company from its internal accurals and ₹ 885 crore loan received from NTPC). The lenders have transferred their entire equity of ₹ 1,160.96 crore to NTPC Limited. Further, residual loan of ₹ 570.19 crore was novated by lenders to NTPC Limited. This resulted into company becoming a subsidiary of NTPC Limited on 31st December, 2020 since its stake in the Company has risen to 60.98%.

The company was consistent in its debt servicing of loan as per the Inter Corporate Loan Agreements entered into with NTPC Limited and there is no default as on March 31, 2021.

Moreover, in the previous year, against the un-sustainable loan of ₹ 3,696.68 crores, 0.01 % Cumulative Redeemable Preference Shares (0.01% CRPS) amounting to ₹3,695.12 crores having face value of ₹10/- each was issued to the Lenders consisting of 5 equal series. As a part of Composite Resolution Plan, last Series V of CRPS amounting to ₹ 739.02 crore has also been redeemed on 31st December 2020.

Further, GAIL (India) Limited and NTPC Limited have entered into a Share Purchase Agreement on 23rd February 2021, whereby GAIL (India) Limited has transferred its entire equity (25.51%) in the company to NTPC Limited resulting into increase in stake of NTPC in the company to 86.49%.

42 Information in respect of Micro, Small and Medium Enterprises as at 31st March 2021 as required by Micro, Small and Medium Enterprises Development Act, 2006

Based on the information available with the Company, amount outstanding to suppliers as on 31st March 2021 does not contain any amount related to MSME, which is pending for a term more than the period of forty five days from the day of acceptance or the day of deemed acceptance, therefore, the amount & applicable interest thereon was not required to be disclosed.

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

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

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

Based on the impairment study, the Company has provided Impairment Loss of ₹ 134.70 crore (P.Y. ₹ Nil) in the books of accounts of the Company.

The Company has adopted Discounted Cash Flow Income approach for impairment study. The post tax discount rates used for the future cash flows is 12.50 %. The differential discount rate is based on the effective tax rates likely to be applicable during the forecast years.

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

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

45 Earnings per share

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

Basic	31 March 2021	31 March 2020
Profit/ (Loss) attributable to Equity Shareholders (in ₹)	(1,244,648,501)	(1,741,126,252)
Weighted average number of equity shares in calculating basic EPS	3,272,302,436	327,23,02,436
Basic earnings (loss) per equity share	(0.38)	(0.53)

Diluted	31 March 2021	31 March 2020
Profit/ (Loss) attributable to Equity Shareholders (in ₹)	(1,244,648,501)	(1,741,126,252)
Weighted average number of equity shares in calculating diluted EPS	3,272,302,436	327,23,02,436
Total no. of shares outstanding (including dilution)	3,272,302,436	327,23,02,436
Diluted earnings (loss) per equity share	(0.38)	(0.53)

46 Revenue Recognition

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

Company has got the decision in its favour against the appeal filed by principal beneficiary in Appellate Tribunal of Electricity (APTEL) against the CERC Order on capacity declaration on RLNG. However, principal beneficiary has not paid any amount and approached Hon'ble Supreme Court against the above Order. The stay application has been disposed off by the Hon'ble Supreme Court in the absence of any coercive action against the appellant for recovery and giving liberty to appellant (MSEDCL) to move to this court once again in the event it becomes so necessary. Furhter, during the meeting held in Prime Minister's Office on August 17, 2015, it was advised to keep the matter of recoveries in abeyance to evolve way forward for revival of the company. Being the amount associated is significant and there is uncertainty in probability of collection, as stated above, company has postponed the recognition of the revenue in its books of accounts, in accordance with the IND AS 115 - Revenue from Contracts with Customers, till final resolution of the matter.

Since the matter is subjudice, therefore amount of ₹ 171.58 crore received from the beneficiaries is not adjusted against the dues and shown separately as Advance from Customers under the head Other Current Liabilities (Refer note 22).

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

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

(d) In view of non-payment of dues by beneficiaries and uncertainty in collection, company has not considered bills raised for ₹ 175.91 crore (Previous Year ₹ 480.96 crore) towards recovery of Surcharge during the year as a prudent measure.

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

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

(f) Revenue from contracts with customers

1) Disaggregated revenue information

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

₹ in Crore

	31-Mar-21	31-Mar-20
Revenue by Contract Type		
Reconciliation of revenue recongnised:		
Contract Price	1,098.78	2,041.61
Adjustments for:		
Rebates	(0.39)	(0.47)
Total revenue from contracts with customers	**1,098.39**	**2,041.14**
Geographical Markets:		
In India	1,098.39	2,041.14
Total revenue from contracts with customers	**1,098.39**	**2,041.14**
Timing of revenue recognition:		
Services transferred over time	1,098.39	2,041.14
Total revenue from contracts with customers	**1,098.39**	**2,041.14**

2) Contract balances

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

₹ in Crore

	31-Mar-21	31-Mar-20
Trade receivables (Net)*	84.25	110.79
Contract liabilities		
Advances from customers	171.58	171.58
Contract assets		
Unbilled revenue	108.57	102.53

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

₹ in Crore

3) Changes in contract liabilities	31-Mar-21	31-Mar-20
Balance at the beginning of the year	171.58	171.58
Revenue recognised that was included in Advances balance at the beginning of the year	-	-
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	-	-
Balance at the end of the year	**171.58**	**171.58**

For details Refer Note No 47

₹ in Crore

4) Changes in contract assets	31-Mar-21	31-Mar-20
Balance at the beginning of the year	102.53	101.90
Revenue recognised during the year	108.57	102.53
Invoices raised during the year	102.53	101.90
Translation exchange during the year	-	-
Balance at the end of the year	**108.57**	**102.53**

47 Disclosure as per Ind AS 19 'Employee Benefits' - RGPPL own cadre employees

(i) Defined Contribution Plan

Provident Fund

Since the Company has no independent trust, the contribution to Provident Fund / Pension Fund / Other Funds amounting to ₹ 0.98 crores excluding ₹ 1.41 crores pertaining to employees of promoter companies (Previous Year ₹ 0.67 crore excluding ₹ 1.68 crore pertaining to employees of promoter companies) has been deposited directly with RPFC Account of RGPPL cadre Employees.

(ii) Defined Benefit Plan

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death.

The existing scheme is funded by the Company and is managed by separate trust established for the purpose. Trust in turn has appointed Life Insurance Corporation of India as Fund Manager. Company is making the payment to Trust equivalent to annual premium demanded by Life Insurance Corporation of India in respect of gratuity coverage to employees, based on the actuarial valuation carried out by them, and charged to revenue ₹ 0.17 crore (Previous Year ₹ 0.17 crore).

(iii) Other Long Term Employee Benefit Plan

Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave (EL) is en-cashable while in service. Half-pay leave (HPL) is en-cashable only on separation beyond the age of 50 years up to the maximum of 300 days. However, total number of leave (i.e. EL & HPL combine) that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned scheme is unfunded and liability is recognised in the books of accounts of the company on the basis of actuarial valuation.

Company as on 31st March 2021 has 31 employees on its payroll. Liability of ₹ 2.13 crores (Previous Year ₹ 1.85 crore) in respect of Accrued Leave Salary has been provided in the books of accounts which is based on the actuarial valuation report.

48 Disclosure as per Ind AS 19 'Employee Benefits' - Employees' on secondment from NTPC Limited

Defined Contribution Plan

Pay, allowances, perquisites and other benefits of the employees on secondment from NTPC Limited are governed by the terms and conditions under an agreement with the NTPC Limited. As per the agreement, amount equivalent to a fixed percentage of basic & DA of the seconded employees, i.e. 41.77%, is payable by the company for employee benefits such as provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits.

The employee benefits expenses include ₹ 1.41 crore (Previous Year ₹ 1.68 crore) towards Company's contribution to provident fund paid/payable to the NTPC Limited towards above stated employees.

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

49 A) Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. This note explains the sources of risk which the entity is exposed to and how the company manages the risk. The Company is exposed to market risk, credit risk and liquidity risk.
The Company board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is a risk of changes in market prices such as foreign exchange rates and interest rates that will affect Company's income or the value of its holding of financial instruments.

(a) Interest rate risk

Company does not have significant floating interest bearing borrowings as at 31st March 2021 and 31st March 2020; hence company is not exposed to interest rate risk at present.

(b) Foreign currency risk

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

₹ Crore

Particulars	31-Mar-21	31-Mar-20
Financial Liabilities in USD		
Non Current Provisions	12.02	10.73
Retention from Contractors	5.30	5.44
Trade Payables & Other financial liabilities	4.50	3.00
Total	21.82	19.16

2. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.
The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

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

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

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

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

(i) Financing arrangements

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

₹ Crore

Particulars	31-Mar-21	31-Mar-20
Fixed-rate borrowings	-	-
Floating-rate borrowings	-	-
Total	-	-

RATNAGIRI GAS & POWER PVT. LTD. * NOIDA *

(ii) Maturities of Financing Liabilities

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

₹ Crore

As at 31 March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings Principal	-	13.27	39.83	217.71	1,171.10	1,441.91
Borrowings Interest	-	21.79	63.39	287.43	262.99	635.60
Expenses Payables	2.83	-	-	-	-	2.83
Payable for Capital Expenditure	0.14	-	-	-	-	0.14
Advance from Customers	171.58	-	-	-	-	171.58
Deposits from Customers	52.63	-	-	-	-	52.63
Trade payables	253.23	-	-	-	-	253.23
Total	480.41	35.06	103.22	505.14	1,434.09	2,557.92

₹ Crore

As at 31 March 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings Principal	-	31.35	94.04	557.08	809.93	1,492.40
Borrowings Interest	-	31.54	90.99	467.06	274.86	864.45
Expenses Payables	1.71	-	-	-	-	1.71
Payable for Capital Expenditure	1.60	-	-	-	-	1.60
Advance from Customers	171.58	-	-	-	-	171.58
Deposits from Customers	53.06	-	-	-	-	53.06
Trade payables	229.94	-	-	-	-	229.94
Total	457.89	62.89	185.03	1,024.14	1,084.79	2,814.74

3. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. There are no impairment losses on financial assets to be recognised in statement of profit and loss for the year ended 31st March 2021 and for the comparative year ended 31st March 2020.

Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management does not expect any significant credit risk out of exposure to trade and other receivables, as the major revenue is contributed by credit sales with a credit period that ranges from 10- 17 working days.

The Company has entered into PPA, with due approval of the Board, with Beneficiaries including Indian Railways wherein all terms & conditions in respect of billing, payments, credit period etc. are covered.

Cash and cash equivalents: The company held cash and cash equivalents of ₹ 190.86 crore as at 31st March 2021 (31st March 2020: ₹ 136.28 crore). The cash and cash equivalents are held with public sector banks and leading private sector Bank. There is no impairment on cash and cash equivalents as on the reporting date and the comparative period.

Investments: The Company limits its exposure to credit risk by investing in only Government of India Securities, State Government Securities and other counterparties have a high credit rating. The management actively monitors the interest rate and maturity period of these investments. The Company does not expect the counterparty to fail to meet its obligations, and has not experienced any significant impairment losses in respect of any of the investments.

Loans: The Company has given loans to employees. Loans to the employee are secured against the mortgage of the house properties and hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

RATNAGIRI GAS & POWER PVT LTD * NOIDA *

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the reporting date was:

₹ Crore

Particulars	31-Mar-21	31-Mar-20
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	-	0.01
Non-current loans	2.54	3.55
Other non-current assets	31.70	53.63
Cash and cash equivalents	190.86	136.28
Bank balances other than cash and cash equivalents	221.86	181.50
Current loans	0.26	0.26
Other current financial assets	108.57	102.53
Other current assets	112.29	92.64
Total (A)	668.08	570.40
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	84.25	110.79
Unbilled revenue	108.57	102.53
Total (B)	192.82	213.31
Total (A+B)	860.90	783.71

(ii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

₹ Crore

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as at 31st March 2021	-	10.89	0.06	0.65	-	72.65	84.25
Gross carrying amount as at 31st March 2020	-	4.52	2.77	1.03	4.59	97.88	110.79

Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

49 B) Accounting classifications and fair value measurements

The directors considered that the carrying amount of financial assets & financial Liabilities carried at amortised cost are recognised in the standalone financial statements approximate their fair value

50 Events occurring after the reporting period

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

RATNAGIRI GAS & POWER PVT. LTD. * NOIDA *

51 The Company has been consistent in its debt servicing by paying the interest & principal within due dates as prescribed without any default, subsequent to Demerger.

However, the account of the Company was declared as NPA due to technical reasons i.e., incomplete implementation of scheme of restructuring within the allowed date 31st March 2018, in the books of three lenders namely, IDBI Bank Ltd, State Bank of India & Canara Bank. The matter was being pursued with the lenders for review considering the consistent debt servicing by the company without any default.

To overcome the above, a Composite Resolution Plan was considered by the Lenders for the Company. Accordingly, One Time Settlement with Lenders was completed on December 31, 2020 whereby, the total outstanding loan of the Lenders ₹ 1,461.05 crore as on 1st September, 2020 has been settled at ₹ 890.86 crore. ₹ 5.86 crore has been paid by the Company out of its internal accruals and remaining ₹ 885 crore has been settled through funding support from NTPC Ltd by way of Loan. The balance of ₹ 570.19 crore has been novated by the Lenders in favour of NTPC Ltd.

As a part of the Resolution Plan, the entire equity shareholding of the Lenders being ₹ 1,160.96 crore (35.47%) has also been transferred to NTPC Ltd. Thus, the stake of NTPC in the Company has risen from 25.51% to 60.98%. The Company has become a subsidiary of NTPC Ltd with effect from December 31, 2020.

Further, Series V of 0.01% Cumulative Redeemable Preference Shares (CRPS) of ₹ 739.02 crore which was due to be redeemed on March 31, 2021, after obtaining necessary approvals was redeemed on December, 31, 2020.

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

The Company is in the business of generation and sale of electricity which is an essential service as emphasized by the Ministry of Power, Government of India. The Company has ensured the availability of its power plant to generate power and has continued to supply power during the period of lockdown.

The Company is running its power block under long term PPA with Indian Railways for supply of 500 MW for the period of 5 years with effect from 1st April 2017 at a fixed price of ₹ 5.50 per unit. The Company received notices of force majeure from Indian Railways on 22/23 March 2020, citing closure of passenger railway services on all India level basis on the direction of Government of India to contain the COVID 19 pandemic. Accordingly, there was reduction in demand of power and operated at reduced plant load factor. However, demand of power has been increased to its normal level, with effect from 11th February 2021, citing gradual resumption of passenger railway services.

The Company has long term Gas Supply Agreement for the period of 5 years with GAIL (India) Limited for supply of 1.75 mmscmd of fuel (Regasified Liquid Natural Gas (RLNG)) with effect from 1st April 2017 and there is no effect of COVID 19 pandemic on supply of fuel.

The Internal Control over Financial Reporting has not been affected despite the imposition of nationwide lockdown. The working of routine functions at plant located at Anjanwel, Maharashtra, was not affected during the lockdown period being a remote area.

The management does not anticipate any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. With the imposition of lockdown, resulting into reduced scheduling of power by Indian Railways, there has been an adverse impact on the cashflows of the company in the short term, however, in the long run there is no significant impact.

ADITYA AGARWAL Digitally signed by ADITYA AGARWAL Date: 2021.06.11 11:29:07 +05'30'	AJAY SHARMA	ASIM KUMAR SAMANTA	ADITYA DAR Digitally signed by ADITYA DAR Date: 2021.06.11 14:45:00 +05'30'	PRAVEEN SAXENA Digitally signed by PRAVEEN SAXENA Date: 2021.06.11 17:06:16 +05'30'
(Aditya Agarwal) Company Secretary & Assistant Manager (Fin)	(Ajay Sharma) Chief Financial Officer	(A K Samanta) Chief Executive Officer	(Aditya Dar) Director DIN - 08079013	(Praveen Saxena) Chairman DIN - 07944144

As per our report of even date
For Doogar & Associates
Chartered Accountants
FRN - 000561N

MUKESH GOYAL Digitally signed by MUKESH GOYAL Date: 2021.06.11 17:48:50 +05'30'
(Mukesh Goyal)
Partner
Membership No - 081810

RATNAGIRI GAS & POWER PVT. LTD. NOIDA

Place: Noida
Date: 11th June, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of RATNAGIRI GAS AND POWER PRIVATE LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of RATNAGIRI GAS AND POWER PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules,2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

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

(a) PNGRB (Petroleum and Natural Gas Regulatory Board) has revised the price of gas supplied by GAIL to RGPPL w.e.f. 1-4-2018, without considering the concession provided in the clause 6 of the Minutes of the meeting chaired by the Principal Secretary to the Prime Minister on 4-2-2019 held on the revival of RGPPL. It is said that in no case the variation cost should be loaded to the cost on Railways. RGPPL has not released the increase in price of gas to GAIL amounting to Rs.43.82 crore as on 31-3-2021 but retained as payable pending review for any impact of variations later. (Refer note no. 21)

(b) The common sharing services with KLL and CISF cost attributable to KLL recoverable as per new MOU as on 31-3-2021 is Rs.28.30 crore(P.Y.Rs.30.97 crore).The Management should undertake necessary steps to recover the said amount in full.(Refer note no. 15)

DOOGAR & ASSOCIATES Firm Regn. No. 000561N New Delhi Chartered Accountants

(c) The company is showing Direct taxes refundable (Net of Provision) Rs. 31.70 crore, TDS receivables, TCS receivables of previous years with income tax authorities are not reconciled and certain adjustments/assessments/refunds/demands were not taken into account. This may result into certain adjustments in the direct tax refundable and provisions as on the date of the financial statement and its consequential impact on the financial statements (Refer note-9).

(d) The Company has been consistent in its debt servicing by paying the interest & principal within due dates as prescribed without default, subsequent to Demerger. However, the account of the Company has been declared as NPA due to technical reasons i.e., incomplete implementation of scheme of restructuring within the allowed date 31st March 2018, in the books of three lenders namely, IDBI Bank Ltd, State Bank of India & Canara Bank. To overcome the above, a Composite Resolution Plan was considered by the Lenders for the Company. Accordingly, One Time Settlement with Lenders was completed on December 31, 2020 (Refer note no. 51)

(e) South Western Railway, Central Railway, South Eastern Railway, West Central Railway, North Central Railway and Western Railway are releasing short payments against invoices of RGPPL without providing the reasons and details for the deduction made. The total short payments of all Railways outstanding for receipt as on 31st March, 2021 are Rs. 75.42 crore (P.Y. Rs.103.98 crore). The reconciliation with these Railways to ascertain the correctness of the deductions whether they are in accordance with the terms and conditions of the Power Purchase Agreement, is pending.

(f) Surcharge bill were raised on short payment by Railways as per the terms and conditionsof the Power Purchase Agreement during the Financial Year 2020-21and 2019- 20 , however the payment is not received.

(g) Central Railway had deducted from the invoices excess transmission charges of Rs.16.87 crore pertaining to period from April, 2017 to August, 2018 on the basis of 255 Megawatt capacity allocation instead of 210 megawatts applicable to RGPPL. The company has filed the appeal with CERC in the month March'2020.

(h) The company has postponed the revenue of recognition of fixed charges, capacity charges and other charges amounting to Rs122.57 Crore (P.Y. Rs.111.97 crore) ,surcharge amounting to Rs 175.91 Crore (PY 480.96 Crore) and recovery of other charges amounting to Rs 2.02 Crore(PY Rs 4.57 Crore) for the year ended March, 2021 due to uncertainty in realization of dues from the beneficiaries even though the issue of declaration of capacity based on RLNG has been decided in favor of company by Central Electricity Regulatory Commission and Appellate Tribunal for electricity.

Further the bills raised by the company during the year ended March 31, 2014 for capacity charges, ship or pay charges etc. on beneficiaries amounting to Rs. 323.77 crores were fully provided for in the same financial year in view of uncertainty relating to collectability of dues. (Refer Note no.46)

(i) Under the PPA with Indian Railways, during the year ended March 31, 2021 Rs 68.76 crore have been provided as doubtful debt on account of shortfall of schedule by Railways, including associated surcharges pertaining to period 1.04.2017 to 31.03.2020 (including Force Majeure period from 23.03.2020 to 31/03/2020).Also considering the non-payment by Railways and uncertainty in realisation,

DOOGAR & ASSOCIATES Firm Regn No. 000561N New Delhi Chartered Accountants revenue in the books for the current year has been recognised based on the actual schedule provided by the Railways in accordance to IND AS 115.(Refer Note 11 and 24)

(j) A sum of Rs.10.52 crore recoverable from M/s GPICL on account of TDS deposited on interest liability recognized in books before demerger after adjusting interest payable subsequent to demerger with effect from 1st January 2016 to 1st January 2018. Though the company is making continuous effort to recover this amount and GPICL has also confirmed that once their matter with Income-Tax authority is resolved the amount will be refunded to RGPPL.The management is confident of recovering the same.

(k)During the year the company has filed a claim of Rs15.86 crore being differential Re-gasification charges recoverable from GAIL (India) Ltd against fuel bills which was wrongly charged by GAIL (India) Ltd in previous years. The management is confident of recovering the same.(Refer Note-15)

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	**Auditor's Response**
Going concern (as described in note 41 of the Ind AS financial statements)	
The company has a negative net worth of Rs.77.35 crore as on 31/03/2021	Principal Audit Procedures Our audit procedures included the following: We have obtained sufficient and appropriate evidence regarding management's use of going concern basis of accounting in preparation of financial statements. We were satisfied by the grounds presented by the management before us, management has declared the said basis in note 41 to financial statements.
Recoverability of indirect tax receivable (as described in note 15 of the Ind AS financial statements)	
GAIL (INDIA) Limited charged VAT amounting to Rs.32.27 crore on account of gas supply. However, the supply made to the company is not chargeable to VAT vide notification no.VAT.1515/CR-118(A)/Taxation-1 dated September 16, 2017. Significant judgment is required in ascertaining the recoverability of said amount	Principal Audit Procedures We have reviewed nature of amount recoverable, the sustainability and likelihood of recoverability

DOOGAR & ASSOCIATES Firm Regn. No. 000561N New Delhi Chartered Accountants

Remote Audit access methodology due to impact of COVID 19

Due to Covid 19 pandemic and lockdown restrictions the audit of accounts of RGPPL SITE office has been carried out based on the remote audit access methodology. All the necessary records, documents, data, vouchers and reconciliation statements maintained at plant located at Ratnagiri district of Maharashtra are provided by the management through Electronic Mail using technical tools and financial platform of digital medium. However, the company has provided remote access from Head Office of the company located at Noida (U.P) to the Financial Accounting severs maintained at SITE. We have taken the guidance under the advisory dated 27.3.2020 issued by The Institute of chartered Accountants of India wherein it has advised the audit firm can opt for all communications by mails instead of physical mode and the entity is to provide the data, documents for audit purposes in soft copy format while conducting distance audit / remote audit / online audit under current Covid 19 pandemic situation, these audit procedure have been followed. To the extent of check and test performed in this process and the managements assertion provided to audit there is no material impact on the operations of the power plant which is supplying energy to Railways and state government units of Maharashtra under Essential services and therefore its operations are not impacted.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and shareholder's information but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively

DOOGAR & ASSOCIATES Firm Regn No. 000561N New Delhi Chartered Accountants for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

• Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

DOOGAR & ASSOCIATES Firm Regn. No. 000561N New Delhi Chartered Accountants

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

1. The Ind AS financial statements of the Company for the year ended March 31, 2021, includes the balances which are appearing from last year Ind AS financial statements, which have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 14th July, 2020.
2. The company has adopted an accounting policy in respect of materiality of prior period items to be accounted for and disclosed in terms of Ind AS 8, considering a minimum benchmark of Rs.100 crores for identification of material prior period errors for retrospective restatement and Rs.10 crores for identification of material prior period errors at transaction level for each line item disclosed in the notes for revenue as well as expenditure level of the entity.

Report on Other Legal and Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

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

DOOGAR & ASSOCIATES Firm Regn. No. 000561N New Delhi Chartered Accountants

(d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules read thereunder;

(e) The matter described in Emphasis of Matter paragraph above, in our opinion, may have an financial effect on the functioning of the Company;

(f) On the basis of the written representations received from the directors as on March 31, 2021 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;

(g) With respect to matters to be included in the Auditor's Report in accordance with requirements of section-197(16) of the Act, as amended:

The company is a government company, therefore provision of Section-197 are not applicable to the company.

(h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 36 to the Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 23 to the Ind AS financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by Section-143(5) of the Act and as per directions and sub-directions issued by Comptroller and Auditor General of India, we report that:

S. No.	Directions/Sub-directions	Auditor's reply on action taken on the directions	Impact on financial statements
	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the company wasusing FINMAT Accounting System (Oracle based) and migrated to SAP B1 for recording accounting transactions. However, transactions both at site and HQ are manually integrated for preparation of Financials of the company.	NIL

DOOGAR & ASSOCIATES Firm Regn. No. 000561N New Delhi Chartered Accountants

	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	The account of the Company was declared as NPA due to technical reasons in the books of three lenders namely, IDBI Bank Ltd, State Bank of India & Canara Bank. A Composite Resolution Plan was considered by the Lenders for the Company. Accordingly, One Time Settlement with Lenders was completed on December 31, 2020 whereby, the total outstanding loan of the Lenders Rs 1,461.05 crore as on 1st September, 2020 has been settled at Rs 890.86 crore. Rs 5.86 crore has been paid by the Company out of its internal accruals and remaining Rs 885 crore has been settled through funding support from NTPC Ltd by way of Loan. The balance of Rs 570.19 crore has been novated by the Lenders in favour of NTPC Ltd. As a part of the Resolution Plan, the entire equity shareholding of the Lenders being Rs 1,160.96 crore (35.47%) has also been transferred to NTPC Ltd. Thus, the stake of NTPC in the Company has risen from 25.51% to 60.98%. The Company has become a subsidiary of NTPC Ltd with effect from December 31, 2020. Further, Series V of 0.01% Cumulative Redeemable Preference Shares (CRPS) of Rs 739.02 crore which was due to be redeemed on March 31, 2021, after obtaining necessary approvals was redeemed on December, 31, 2020.	
	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	As per information and explanation provided to us there is no fund received/receivable against any specific scheme.	NIL

For Doogar & Associates
Chartered Accountants
Firm Regn. No. 000561N

Mukesh Goyal
Partner
Membership No. 081810

UDIN: 21081810AAAADA3435
Date: 11th June'2021

"Annexure A" to the Independent Auditors' Report

Referred to in para 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

i. a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) There is regular program of physical verification of fixed Assets over a period of three years, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. During the year no physical verification of fixed assets was done although Physical verification of fixed assets and miscellaneous bought out assets was undertaken during the previous financial year being carried out by external firm of chartered accountants.

c) As per information and explanation provided to us, the title deeds of immovable properties are held in the name of the company.

ii. The inventory of stores has been physically verified during current financial year by an external firm of Chartered Accountants and other items of inventory were physically verified by the management during current financial year and no material discrepancy was noticed on such verification.

iii. In respect of the unsecured loans, the company has not granted any loans secured, unsecured to companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making of investments, providing guarantees and securities.

v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act,2013 and the rules framed there under. Thus paragraph 3(v) of the Order is not applicable to the company.

vi. As informed to us, the cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and such accounts and records have been so made and maintained. However, we are neither required to carry out nor have carried out any detailed examination of such accounts and records.

vii. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Services Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears as at

DOOGAR & ASSOCIATES Firm Regn. No. 000561N New Delhi Chartered Accountants

March 31, 2021 for a period of more than six months from the date they become payable as per books of accounts.

b) According to the information and explanation given to us, there are no statutory dues that have not been deposited on account of matters pending before appropriate authorities.

viii. The Company has been consistent in its debt servicing by paving the interest & principal within due dates as prescribed without by default, subsequent to Demerger. However, the account of the Company has been declared as NPA due to technical reasons i.e., incomplete implementation of scheme of restructuring within the allowed date 31st March 2018, in the books of three lenders namely, IDBI Bank Ltd, State Bank of India & Canara Bank. To overcome the above, during the year a Composite Resolution Plan was considered by the Lenders for the Company. (Refer note no. 51)

ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.

x. According to the information and explanations given to us and represented by the management and based on our examination of books and records of the Company, we have been informed that no case of fraud committed by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.

xi. The company is a government company. Accordingly, paragraph 3(xi) of the order is not applicable.

xii. According to information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations provided to us and based on our examination of the records of the company, transactions with related parties are in compliance with section 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in IND AS financial statement as required by applicable Indian Accounting Standards. The company is a public company. However, as per the exemptions provided by the Companies Act, 2013 & the applicable Rules there under, provisions of section 177 of the Companies Act, 2013 are not applicable.

xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

DOOGAR & ASSOCIATES
Firm Regn. No. 000561N
New Delhi
Chartered Accountants

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For Doogar & Associates
Chartered Accountants
Firm Regn. No. 000561N

Mukesh Goyal
Partner
Membership No. 081810

UDIN: 21081810AAAADA3435
Date: 11th June'2021

"ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT"

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of RATNAGIRI GAS AND POWER PRIVATE LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. We believe that to the extent of the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

DOOGAR & ASSOCIATES Firm Regn. No. 000561N New Delhi Chartered Accountants

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2021 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. Company has its own internal mechanism to review the internal controls of the company. This review forplant and HQ has been conducted for the first half only i.e. April, 2020to September, 2020. It could not be conducted in the second half due to Covid 19 limitations. However, to the extent of our verification we found that internal financial control in second half year over financial reporting is adequate.

Our opinion is not modified in respect of aforesaid matter

For Doogar & Associates
Chartered Accountants
Firm Regn. No. 000561N

DOOGAR & ASSOCIATES Firm Regn. No. 000561N New Delhi Chartered Accountants

Mukesh Goyal
Partner
Membership No. 081810

UDIN: 21081810AAAADA3435
Date: 11th June'2021