Independent Auditor's Report

To The Members of Sasan Power Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sasan Power Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, its other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors report, but does not include the financial statements and our auditor's report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Management's Responsibility for the 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 financial statements that give a true and fair view of state of affairs, profit/loss and other comprehensive income/loss, cash flows and changes in equity of the Company in accordance with the Ind AS specified under section 133 of the Act 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal financial 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 with reference to financial statements in place and the operating effectiveness of such controls.

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

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Continuation sheet...

- Conclude on the appropriateness of Management's and Board of Director'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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

b) In our opinion, except for matter stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, 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 Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

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

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

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Continuation sheet...

f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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 financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;

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

iv. (a) The management has represented to us that, to the best of it's knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on our audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

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vi. Based on our examination which included test checks, the Company has used an accounting software SAP and allied softwares for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However as stated in Note no. 23 no audit trail has been enabled at the database level for any direct changes in database in accounting software SAP for the year ended March 31, 2024. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

vii. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Jigar T. Shah
Partner
Membership No. 161851
UDIN: 24161851BKBHJA8649
Date: May 21, 2024
Place: Mumbai

Pathak H.D. & Associates LLP
Chartered Accountants

Annexure "A" To the Independent Auditors' Report
Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report in the Independent Auditors Reports of even date to the members of Sasan Power Limited for the year ended March 31, 2024.

i. In respect of its Property Plant and Equipment and Intangible Assets:

(a) (A) Based on the records examined by us and information and explanation given to us the Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment.

(B) Based on the records examined by us and information and explanation given to us the Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and Capital work-in-progress under which the assets are physically verified in a phased manner 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. In accordance with this programme, certain property, plant and equipment, were verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements, are held in the name of the Company.

(d) Based on the records examined by us and information and explanation given to us by the Management, the Company during the year has not revalued its Property Plant and Equipment (including rights of use assets) or intangible assets Hence, the reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information, explanation and representation given to us by the Management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) According to the information and explanation given to us and records examined by us, the Management of the Company has conducted physical verification of its inventories at regular intervals and in our opinion the coverage and procedure of such verification by the management is appropriate. As explained to us and on the basis of records examined by us, the value of discrepancies noticed on physical verification by the management did not exceed 10% or more in aggregate of each class of inventory.

(b) Based on the records examined by us and information and explanation given to us, the Company has been sanctioned working capital limits in excess of five crore rupees from banks on the basis of security of current assets and the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

iii. (a) As per the information and explanations given to us and books of accounts and records examined by us, during the year Company has not provided loans or advance in nature of loans, any guarantee or security to companies, firms, Limited Liability Partnerships or any other entities.

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Continuation sheet...

(b) In our opinion and according to information and explanations given us and on the basis of our audit procedures, Company has not made investment, provided any guarantees or given security and has not granted loans, advances in the nature of loans during the year.

(c) Based on the records examined by us and information and explanation given to us, the Company has not given any loans secured or unsecured, to any companies, firms, limited liability partnerships or other parties hence the reporting requirement of clause iii(c), (d), (e), (f) of paragraph 3 of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not directly or indirectly advanced loan to the persons covered under Section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons and has complied with the provisions of section 186 of the Act, in respect of investments, loans, guarantee or security given, to the extent as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the Rules framed there under. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company in respect of sale of electricity where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been prepared and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of, Provident Fund, Income-tax, Goods and Services tax, Duty of Customs and other material statutory dues as applicable with the appropriate authorities except in the case of Electricity duty, Energy Development Cess, Royalty, Forest Transit Fees and Contribution to District Mineral Fund, Madhya Pradesh Gramin Avsanrachna Tatha Sadak Vikas Adhiniyam (MPGATSVA) and National Mineral Exploration Trust Charges (NMET). As explained and records of the Company examined by us, the Company did not have any dues on account of Duty of Excise, Service tax, Value added tax, Sales tax and Employee's State Insurance.

There is no undisputed amounts payable in respect of such applicable statutory dues including interest there on as at March 31, 2024 for a period of more than six months from the date they became applicable, except for the following cases:

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Name of the statute	Nature of tax	Amount (Rs. in Lakhs)	Period to which it relates	Due date
The Madhya Pradesh Electricity Duty (Amendment) Act, 2011	Electricity duty and Energy development cess	80,808	April 2019 to August 2023	May 2019 to September 2023
Mines and Minerals (Development and Regulation) Act, 1957	Royalty	34,358	June 2019 to September 2023	June 2019 to September 2023
Mines and Minerals (Development and Regulation) Act, 1957	National Mineral Exploration Trust Charges	78	January 2020 to September 2023	January 2020 to September 2023
Indian Forests Act, 1927	Forest Transit Fees	6,889	August 2019 to September 2023	August 2019 to September 2023
Mines and Minerals (Development and Regulation) Act, 1957	Contribution to District mineral fund	14,623	July 2019 to September 2023	July 2019 to September 2023
The Madhya Pradesh Gramin Avsanrachna Tatha Sadak Vikas Adhiniyam,2005	MPGATSVA	59	March 2020 to September 2023	March 2020 to September 2023

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Goods and Services tax, Duty of Customs, Duty of Excise, Value added tax, Sales tax and Service Tax as at March 31, 2024 which have not been deposited on account of a dispute except for income tax dues for the following:

Name of the statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which it relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	99 [1]	AY 2016-17	CIT (Appeals), Mumbai
Income Tax Act, 1961	Income tax	41[2]	AY 2014-15	CIT (Appeals), Mumbai
Income Tax Act, 1961	Income tax	193	AY 2012-13	Hon'ble Delhi High Court
Income Tax Act, 1961	Income tax	32 [3]	AY 2008-09	Hon'ble Supreme Court

Includes [1] Rs. 20 Lakhs, [2] Rs. 8 Lakhs and Rs.16 Lakhs [3] paid under protest.

viii. According to information and explanation given to us and examination of records of the Company, there are no transactions surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) Based on the examination of records and information and explanation given to us, the Company has not defaulted in repayment of its loans or payment of interest to any lender.

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(b) According to the information and explanations given to us and on the basis of the audit procedures, we report that the Company has not been declared as wilful defaulter by any banks, financial institution or government or any government authority.

(c) In our opinion and information and explanation given to us and based on the examination of records of the Company, the Company has not raised term loans from any lender. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanation given to us, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on the audit procedures performed by us and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints have been received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them, and hence provisions of Section 192 of the Act, are not applicable.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) On the basis of examination of records and according to the information and explanation given to us by the Management, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanation given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.

(d) As represented by the management, the Group does not have any Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii. Based on the examination of records, the Company has not incurred cash losses in the financial year 2023-24 and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

xx. (a) Based on the examination of records of the Company and according to the information and explanation given to us by the Company, in respect of other than ongoing projects, there were no unspent amount that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section 5 of section 135 of the Act.

(b) Based on the examination of records of the Company, and according to the information and explanations given to us, in respect of ongoing projects there were no unspent amount that were required to be transferred to special account in compliance with provision of sub section 6 of section 135 of the Act.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Jigar T. Shah
Partner
Membership No. 161851
UDIN: 24161851BKBHJA8649

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Date: May 21, 2024
Place: Mumbai

Pathak H.D. & Associates LLP
Chartered Accountants

Annexure B to the Independent Auditors' report on the financial statements of Sasan Power Limited for the year ended March 31, 2024.

Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Sasan Power Limited for the year ended March 31, 2024)

We have audited the internal financial controls with reference to financial statements of Sasan Power Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note standard issued by the ICAI and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Continuation sheet...

Meaning of Internal Financial controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Jigar T. Shah
Partner
Membership No. 161851
UDIN: 24161851BKBHJA8649

Date: May 21, 2024
Place: Mumbai

Sasan Power Limited
Balance Sheet as at March 31, 2024

Rupees in lakhs

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	20,46,964	21,15,202
Capital work-in-progress	3.2	33	207
Intangible assets	3.3	2,160	2,272
Financial assets	3.4		
Margin Money deposits	3.4(a)	3,064	2,140
Other financial assets	3.4(b)	283	2,061
Other non-current assets	3.5	44,011	47,864
Non-current tax assets	3.6	1,225	1,059
		20,97,740	21,70,805
Current assets			
Inventories	3.7	64,401	67,895
Financial assets	3.8		
Investments	3.8(a)	3,657	3,411
Trade receivables	3.8(b)	1,04,568	82,035
Cash and cash equivalents	3.8(c)	13,748	13,835
Bank balances other than cash and cash equivalents	3.8(d)	6,850	8,587
Other financial assets	3.8(e)	3,219	4,557
Other current assets	3.9	4,371	3,941
		2,00,814	1,84,261
Total		22,98,554	23,55,066
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	3.10	4,32,737	4,32,737
(b) Other equity			
Instruments entirely equity in nature	3.11	23,579	23,579
Reserves and surplus & other Reserve	3.12	3,57,270	3,75,176
		8,13,586	8,31,492
Liabilities			
Non-current liabilities			
Financial liabilities	3.13		
Borrowings	3.13(a)	7,45,010	9,77,403
Other financial liabilities	3.13(b)	-	3,333
Provisions	3.14	6,368	5,719
Deferred tax liabilities (net)	3.14(a)	27,426	7,531
Other non-current liabilities	3.15	1,22,411	1,26,616
		9,01,215	11,20,602
Current liabilities			
Financial liabilities	3.16		
Borrowings	3.16(a)	2,93,599	1,68,594
Trade payables	3.16(b)		
Total outstanding dues of micro enterprises and small enterprises		1,132	1,657
Total outstanding dues of creditors other than micro enterprises and small enterprises		23,490	29,138
Other financial liabilities	3.16(c)	1,21,036	98,508
Other current liabilities	3.17	1,43,959	1,04,661
Provisions	3.18	537	414
		5,83,753	4,02,972
Total		22,98,554	23,55,066

Material accounting policies	2	
Notes to financial statements	1 to 27	

The accompanying notes are an integral part of these financial statements.

Sasan Power Limited

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Sasan Power Limited

As per our attached report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W/ W100593

Jigar T. Shah
Partner
Membership Number: 161851

For and on behalf of the Board of Directors

Sachin Mohapatra
Chief Executive Officer and Whole Time Director
DIN: 07791421

Umesh Kumar Agrawal
Director
DIN: 02908684

Laxmi Dutt Vyas
Chief Financial Officer

Ramandeep Kaur
Company Secretary
FCS 9160

Place: Mumbai
Date: May 21, 2024

Place: Mumbai
Date: May 21, 2024

Sasan Power Limited
Statement of Profit and Loss for the year ended March 31, 2024

Rupees in lakhs

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	3.19	4,59,168	4,27,037
Other Income	3.20	13,135	20,087
Total Income		4,72,303	4,47,124
Expenses			
Cost of fuel consumed (including cost of coal excavation)	3.21	1,78,789	1,70,865
Employee benefits expense	3.22	10,615	10,094
Finance costs	3.23	1,46,930	1,32,864
Depreciation and amortization expense	3.1	54,750	51,186
Other expenses	3.24	79,156	73,993
Total Expenses		4,70,240	4,39,002
Profit/(Loss) before tax		2,063	8,122
Income tax expense			
Current tax		-	-
Deferred tax	13	19,895	6,586
Profit/(Loss) for the year (A)		(17,832)	1,536
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans (net of tax)		(74)	(916)
Other Comprehensive Income/(Loss) for the year (B)		(74)	(916)
Total Comprehensive Income/(Loss) for the year (A+B)		(17,906)	620
Earnings per equity share: (Face value of Rs. 10 each)	10		
Basic (Rupees)		(0.41)	0.04
Diluted (Rupees)		(0.41)	0.04

Material accounting policies	2
Notes to financial statements	1 to 27

The accompanying notes are an integral part of these financial statements.

Sasan Power Limited

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Sasan Power Limited

As per our attached report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W/ W100593

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Chief Financial Officer

Ramandeep Kaur
Company Secretary
FCS 9160

Place: Mumbai
Date: May 21, 2024

Place: Mumbai
Date: May 21, 2024

Sasan Power Limited
Statement of Changes in Equity for the year ended March 31, 2024

A. Equity Share Capital (Refer note 3.10)

Rupees in lakhs

Balance as at April 01,2023	Changes in equity share capital during the year	Balance as at March 31,2024
4,32,737	**-**	**4,32,737**

Rupees in lakhs

Balance as at April 01,2022	Changes in equity share capital during the year	Balance as at March 31,2023
4,32,737	-	4,32,737

B. Other Equity (Refer Note 3.11 & 3.12)

Rupees in lakhs

Particulars	Instruments entirely equity in nature			Reserves and surplus & other reserve				Total (A+B)
	Preference Shares [Refer note 3.11.3(a)]	Intercorporate Deposits	Total (A)	Securities Premium	Retained Earnings	Other comprehensive income/ (Loss)	Total (B)	
Balance as at April 01,2023	**3,579**	**20,000**	**23,579**	**3,58,184**	**18,431**	**(1,439)**	**3,75,176**	**3,98,755**
Profit/(Loss) for the year	-	-	-	-	(17,832)	-	**(17,832)**	**(17,832)**
Remeasurements of post employment benefit obligation (net)		-	-	-	-	(74)	**(74)**	**(74)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(17,832)**	**(74)**	**(17,906)**	**(17,906)**
Balance as at March 31,2024	**3,579**	**20,000**	**23,579**	**3,58,184**	**599**	**(1,513)**	**3,57,270**	**3,80,849**
Balance as at April 01,2022	3,579	20,000	23,579	3,58,184	16,895	(523)	3,74,556	3,98,135
Profit/(Loss) for the year	-	-	-	-	1,536	-	1,536	1,536
Remeasurements of post employment benefit obligation (net)		-	-	-	-	(916)	(916)	(916)
Total comprehensive income for the year	-	-	-	-	1,536	(916)	620	620
Balance as at March 31,2023	3,579	20,000	23,579	3,58,184	18,431	(1,439)	3,75,176	3,98,755

The accompanying notes are an integral part of these financial statements.

Sasan Power Limited

PARIKH D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Sasan Power Limited

As per our attached report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W/ W100593

Jigar I. Shah
Partner
Membership Number: 161851

For and on behalf of the Board of Directors

Sachin Mohapatra
Chief Executive Officer and Whole Time Director
DIN: 07791421

Umesh Kumar Agrawal
Director
DIN: 02908684

Laxmi Dutt Vyas
Chief Financial Officer

Ramandeep Kaur
Company Secretary
FCS 9160

Place: Mumbai
Date: May 21, 2024

Place: Mumbai
Date: May 21, 2024

Sasan Power Limited
Statement of Cash flows for the Year ended March 31, 2024

Rupees in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Cash flow from operating activities		
Profit / (Loss) before tax	**2,063**	8,122
Adjustments for :		
Gain arising on mutual fund investment mandatorily measured at fair value	**(246)**	(179)
(Gain)/ Loss on foreign exchange fluctuation (net)	**(1,102)**	(7,741)
Government Grants	**(4,206)**	(4,206)
Depreciation/Amortisation (including depreciation on mining equipments)	**72,479**	70,464
Finance Costs	**1,46,930**	1,32,864
Interest Income on Bank Deposits	**(972)**	(728)
Loss on discard/disposal of property, plant and equipment	**@**	2,089
Provision for Employees Benefit	**413**	262
Advances written off	**17**	89
Liabilities Written Back	**(2,930)**	
Operating Profit / (loss) before working capital changes	**2,12,446**	2,01,036
Adjustment for :		
(Increase) / decrease in other financial assets and other assets	**2,789**	357
(Increase) / decrease in trade receivables	**(22,533)**	25,650
(Increase) / decrease in inventories	**3,495**	(3,800)
Increase / (decrease) in other financial liabilities, other liabilities & Provisions	**39,571**	30,736
Increase / (decrease) in trade payables	**(6,173)**	4,234
	2,29,595	2,58,213
Income Taxes (paid)/refund (net)	**(165)**	(591)
Net cash from operating activities	**2,29,430**	2,57,622
(B) Cash flow from / (used in) investing activities		
(Purchase)/ Proceeds from PPE,Intangible assets (including capital work-in-progress and capital advances)	**6,312**	(17,590)
Redemption of margin money/ fixed deposit & other bank balances	**813**	1,708
Interest received	**853**	751
Net cash (used in)/ investing activities	**7,977**	(15,131)
(C) Cash flow (used in)/from financing activities		
Repayment of long term borrowings	**(1,16,474)**	(1,08,492)
Interest and finance charges paid	**(1,24,132)**	(1,24,284)
Proceeds from Short term borrowings - (net of repayment)	**3,112**	1,086
Net cash (used in) financing activities	**(2,37,494)**	(2,31,690)
Net Increase in cash and cash equivalents (A+B+C)	**(87)**	10,801
Cash and cash equivalent at beginning of the year		
Bank balances		
- in current accounts	**10,606**	739
- in fixed deposits / Margin Money	**3,229**	2,295
Cash and cash equivalent at end of the year		
Bank balances		
- in current accounts	**9,918**	10,606
- in fixed deposits / Margin Money	**3,830**	3,229

The accompanying notes are an integral part of these financial statements

Notes :

The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

@ Amount is below rounding off norms adopted by the company

Sasan Power Limited

PARIKH D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Sasan Power Limited

Notes to the financial statements for the year ended March 31, 2024 (continued)

Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Statement of cash flows

Rupees in lakhs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Long term Borrowings		
Opening Balance		
- Non Current	**9,77,403**	10,65,852
- Current	**1,15,850**	1,04,660
Changes in Fair Value		
- Impact of Effective Rate of Interest	**1,472**	1,725
Repaid During the year	**(1,16,474)**	(1,08,492)
Foreign Exchange Adjustment	**4,501**	29,508
Closing Balance	**9,82,753**	10,93,253
- Non Current	**7,45,010**	9,77,403
- Current	**2,37,743**	1,15,850
Short term Borrowings		
Opening Balance	**52,744**	51,658
Availed during the year(Net)	**3,112**	1,086
Closing Balance	**55,856**	52,744
Interest Accrued		
Interest Accrued-Opening Balance	**2,938**	3,565
Interest charge as per statement of Profit & Loss (Excluding Interest on delayed payment of Statutory dues and unwinding of discount on mine closure provision)	**1,25,416**	1,25,382
Changes in Fair Value		
- EIR Adjustment	**(1,472)**	(1,725)
Interest paid to lenders	**1,24,132**	1,24,284
Interest Accrued-Closing Balance	**2,750**	2,938

Sasan Power Limited

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Sasan Power Limited

As per our attached report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W/ W100593

Jigar T. Shah
Partner
Membership Number: 161851

For and on behalf of the Board of Directors

Sachin Mohapatra
Chief Executive Officer and Whole Time Director
DIN: 07791421

Umesh Kumar Agrawal
Director
DIN: 02908684

Laxmi Dutt Vyas
Chief Financial Officer

Ramandeep Kaur
Company Secretary
FCS 9160

Place: Mumbai
Date: May 21, 2024

Place: Mumbai
Date: May 21, 2024

Sasan Power Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

1) General information

Sasan Power Limited ("the Company"), a wholly owned subsidiary of Reliance Power Limited, has set up an Ultra Mega Power project of 3,960 Mega Watt (MW) (6x660 MW) at Sasan, Madhya Pradesh. The Company has entered into a power purchase agreement (PPA) with 14 procurers located in 7 States, based on which the generated power is sold. The project has been allotted captive coal blocks to meet its fuel requirements.

The Company is a public limited company in India and is incorporated and domiciled in India under the provisions of the Companies Act. The registered office of the Company is located at Ground Floor, Reliance Centre,19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001.

These financial statements were authorised for issue by the board of directors on May 21, 2024.

2) Material accounting policies, critical accounting estimates and judgments:

2.1 Basis of accounting, measurement and Material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation :

Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") as amended from time to time. The policies set out below have been consistently applied during the years presented.

Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the following:
- Certain financial assets and financial liabilities at fair value
- Defined benefit plans – plan assets that are measured at fair value

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Classification of current and non-current

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

Sasan Power Limited

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

(b) Property, plant and equipment (PPE) including Capital Work-in-Progress (CWIP) :

Freehold land is carried at cost. All Items of Property, plant and equipment (PPE) are stated at cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of PPE comprises of its purchase price, capitalized borrowing costs and adjustment arising for exchange rate variations attributable to the assets (Refer note 2.1(o) below), including any cost directly attributable to bringing the assets to their working condition for their intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

Spare parts are recognized when they meet the definition of Property, plant and equipment, otherwise, such items are classified as inventory.

All project related expenditure viz, civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental / directly attributable to construction of project, borrowing cost, construction stores, revenues and direct operational expenses related to the units of power generated in the interim period, which are not ready for their intended use, pending capitalization, are disclosed as Capital Work-in-Progress. Any gain or loss on disposal of an item of PPE is recognized in statement of profit and loss.

Depreciation:

The Company has determined its depreciation method for each significant component considering various factors including consumption of economic benefit, technical evaluation of useful life, assessment of expected repairs and maintenance cost etc. Based on the said assessment, depreciation on certain major assets of power plant comprising of Boiler Turbine and Generator Units (employing super critical technology), Ash Handling Plants and Coal Handling Plants been determined as WDV method and for the balance assets including coal mine assets, straight line method has been determined as the appropriate method. Depreciation on addition to PPE is calculated prorata basis. PPE is derecognized if asset is sold or discarded.

Depreciation is calculated using straight line method (SLM) / Written down value (WDV) on the respective assets as mentioned above to allocate their cost, net of their residual values, over their estimated useful lives.

Change in Depreciation Method

As per Ind AS, the method of depreciation is required to be reviewed at least at each financial year end to ensure that the method reflects the expected pattern of consumption of the future economic benefits embodied in the assets. If there is a change in such expected pattern of consumption, then it is necessary to suitably change the method of depreciation to reflect such change pattern of consumption.

The company has carried out technical analysis for assets of both Power Plant and Coal Mines. Pursuant to the technical analysis, from April 01, 2021 the Company has adopted SLM method of depreciation for all its assets of both power plant and coal mines.

Sasan Power Limited

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Useful lives considered for the purpose of depreciation is as follows:

Particulars	Useful lives
Buildings	60 years
Temporary structure	3 years
Plant and Machinery - Power Plant related assets comprising of Boiler Turbine and Generator Units (employing super critical technology), Ash Handling Plants and Coal Handling Plants	3 to 40 years
Plant and Machinery - Coal Mine Heavy Earth Moving and Mining Equipments	30 years
Furniture and fixtures	3 to 10 years
Motor Vehicles	3 to 5 years
Office equipments	3 to 5 years
Computers	3 to 6 years

The useful lives considered are based on useful life of the assets prescribed under Part C of Schedule II to "the Act", except in respect of Coal Mine Heavy Earth Moving and Mining Equipments where the useful lives determined are based on internal assessment and technical evaluation done by the management's expert which are higher than those specified by Schedule II to "the Act", in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of asset. Tyres are amortized on the basis of Hourly Machine Rate (HMR).

Lease hold land is amortised over the lease period from the date of receipt of possession or execution of lease deed, whichever is earlier, except leasehold land for coal mining, which is amortised over the period of mining rights.

Freehold land acquired for coal mining is amortised over the period of mining rights, considering that the same cannot be put to any other purpose other than mining.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

(c) Mining properties under tangible assets :

i. Overburden removal costs:

Removal of overburden and other waste material, referred to as "Stripping Activity", is necessary to extract the coal reserves in case of open pit mining operations. The stripping ratio, as approved by the regulatory authority, for the life of the mine is obtained by dividing the estimated quantity of overburden by the estimated quantity of mineable coal reserve to be extracted over the life of the mine. This ratio is periodically reviewed and changes, if any, are accounted for prospectively.

The overburden removal costs are included in Mining properties under Property, plant and equipment and amortised based on stripping ratio on the quantity of coal excavated. Overburden removal cost includes cost of explosive, spares,fuel and power related to equipments, direct labour, other direct expenditure and appropriate portion of variable and fixed overhead expenditure.

ii. Mine closure obligation:

The liability to meet the obligation of mine closure has been measured at the present value of the management's best estimate based on the mine closure plan in the proportion of total area exploited to the total area of the mine as a whole. These costs are updated annually during the life of the mine to reflect the developments in mining activities.

The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to the passage of time is recognized as interest expense.

Sasan Power Limited

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

The mine closure obligation cost has been included in mining properties under Property, plant and equipment and amortised over the life of the mine on a unit of production basis.

iii. Mine development expenditure:

Expenditure incurred on development of coal mine is grouped under Capital Work-in-Progress till the coal mine is ready for its intended use. Once the mine is ready for its intended use, such mine development expenditure is capitalised and included in Mining properties under Property, plant and equipment.

Mine development expenditure is amortised over the life of the mine on a unit of production basis.

(d) Intangible assets :

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "intangible assets under development".

Mining right represents directly attributable cost (other than the land cost) incurred for obtaining the mining rights for a period of thirty years.

Amortisation

Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Computer software is amortised over an estimated useful life of 3 years.

Mining rights are amortised on a straight line basis over the period of 30 years i.e. the period over which the Company has right to carry out mining activities.

(e) Impairment of non-financial assets :

Assets which are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(f) Lease

The Company is the lessee

The Company lease assets primarily consists of office premises which are of short term lease with the term of twelve months or less and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an expense in the Statement of Profit and Loss on a straight line basis over the term of lease.

(g) Inventories :

Inventories of tools, stores, spare parts, consumable supplies and fuel are valued at lower of weighted average cost, which includes all non-refundable duties and charges incurred in bringing the goods to their present location and condition, and net realisable value after providing for obsolescence and other losses.

Sasan Power Limited

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

In case of coal stock, the measured stock is based on a verification process adopted and the variation between measured stock and book stock is charged to Statement of Profit and Loss.

(h) 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 consideration is due and the amount is billable.

(i) Financial Instruments :

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

Investments and other financial assets

i. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

ii. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss, however, trade receivables that do not contain a significant financing component are measured at transaction price.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognized or

impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the

Sasan Power Limited

PATHAK H.D. & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from other equity to profit or loss and recognized in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a investment that is subsequently measured at fair value through profit or loss is recognized in Statement of profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

iii. Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company measures the expected credit loss associated with its trade receivables based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

iv. Derecognition of Financial Assets

A financial asset is derecognized only 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 to one or more recipient.

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

v. Income recognition

Interest Income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

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Interest income is recognized on time proportion basis/accrual basis.

Dividend

Dividends are recognized in profit only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(j) Offsetting Financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(k) Derivative financial instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Further net losses arising on settlement and fair value change on derivative contracts are classified to finance cost and net gain arising on settlement and fair value change on derivative contracts are classified to other income.

(l) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Financial liabilities :

i. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii. Initial recognition and measurement

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

iii. Subsequent measurement

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

Borrowings: Borrowings are subsequently carried at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method.

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Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Trade and other payables: These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise, they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortized cost using the effective interest method.

iv. Derecognition

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses).

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.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(n) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

(o) Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized when there is present or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

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Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is termed as contingent liability.

Contingent Assets:

A contingent asset is disclosed, where an inflow of economic benefits is probable.

(p) Foreign currency transaction :

i. Functional and presentation currency
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Indian Rupees', which is also the Company's functional currency and all amounts are rounded to the nearest lakhs, unless otherwise stated.

ii. Transactions and balances

(i) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

(ii) All exchange differences arising on reporting of foreign currency monetary items at rates different from those at which they were initially recorded are recognized in the Statement of Profit and Loss.

(iii) In respect of foreign exchange differences arising on revaluation or settlement of long term foreign currency monetary items, the Company has availed the option available in Ind AS 101 to continue the policy adopted in previous GAAP for accounting for exchange differences arising from translation of long-term foreign currency monetary items outstanding as on March 31, 2016, wherein foreign exchange differences on account of depreciable asset, are adjusted in the cost of depreciable asset and would be depreciated over the balance life of asset.

(iv) Non-monetary items denominated in foreign currency are stated at the rates prevailing on the date of the transactions / exchange rate at which transaction is actually effected.

(q) Revenue from contract with customers :

The Company recognises revenue when the amount of revenue can be reliably measured at transaction price (net of variable consideration) allocated to that performance obligation , it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities, as described below. The Company bases its estimate on historical results, taking into consideration the type of transactions and specifics of each arrangement.

i) Sale of energy
Revenue from sale of energy including unbilled revenue is recognized when it is measurable and there is reasonable certainty for collection, in accordance with the tariff provided in the PPA and considering the petitions filed with regulatory authorities for change in tariff as per the terms of PPA.

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

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(r) Employee benefits :

Short-term obligations

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

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post employment benefits

The Company operates the following post-employment schemes:
- defined benefit plans such as gratuity
- defined contribution plans such as provident fund.

Gratuity obligation

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Rupees is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they accrue or services are received. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

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(s) Income taxes:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(t) Government grant:

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and credited to statement of profit and loss in the proportions in which depreciation expense on those assets is recognized.

(u) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, demand deposits with banks, other short-term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(v) Earnings per share:

Basic earnings per share are computed by dividing the net profit or loss by the weighted average number of ordinary shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the net profit or loss for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential ordinary shares, if any except when results will be anti-dilutive.

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(w) Cash Flow Statement:

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

(x) Segment Reporting:

The Operating segments has been identified and reported taking into account its internal financial reporting, performance evaluation and organizational structure of its operations, operating segment is reported in the manner evaluated by Board considered as Chief Operating Decision-Maker under Ind AS 108 "Operating Segment".

2.2 Critical accounting estimates and judgments

The preparation of the financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as under:

(a) Useful lives of Property, Plant and Equipments (PPE) and Coal Mine Assets

The Company has independently estimated the useful life and method of depreciation of power plant and coal mine assets considering factors such as consumption of economic benefit, technical evaluation of useful life, assessment of expected repairs and maintenance cost etc. In actual, the estimate considered for above factors could be different. When the useful lives differ from the original estimated useful lives, the Company will adjust the estimated useful life accordingly. It is possible that the estimates made based on existing experience are different to the actual outcomes within the next financial period and could cause a material adjustment to the carrying amount of Property, plant and equipment. {(Refer note 2.1(b)}

(b) Stripping ratio for coal mining

Significant estimate is involved in case of open pit mining operations for estimating quantity of overburden and mineable coal reserve which would be extracted over the life of the mine, based on which stripping ratio is determined. This ratio is periodically reviewed and changes, if any, are accounted for prospectively. The Company has considered the stripping ratio based on the coal mine plan approved by the regulator {(Refer note 2.1(c)}.

(c) Income taxes

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. (Refer note 13)

(d) Deferred tax

The Company has deferred tax assets and liabilities which are expected to be realised through the Statement of Profit and Loss over the extended periods of time in the future. In calculating the deferred tax items, the Company is required to make certain assumptions and estimates regarding the future tax consequences attributable to differences between the carrying amounts of assets and liabilities as recorded in the financial statements and their tax bases. Assumptions made include the expectation of future operating performance that will be consistent with historical levels of operating results, recoverability periods for tax loss carry forwards will not change, and that existing tax laws and rates will remain unchanged into foreseeable future. (Refer note 13)

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(e) Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its Property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset / residual value is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount of Property, plant and equipment is the higher of its fair value less costs of disposal and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated efficiency of the plant, fuel availability at economical rates, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

(f) Fair value measurement and valuation process

The Company has measured certain assets and liabilities at fair value for financial reporting purposes. The management determines the appropriate valuation technique and inputs for fair value measurement. In estimating the fair value, the management has engaged third party to perform the valuations.

(g) Mine closure obligation

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalized when incurred reflecting the Company's obligations at that time. The provision for decommissioning assets is based on the current estimate of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate.

(h) Recent accounting pronouncement:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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Notes to the financial statements for the year ended March 31, 2024 (continued)

3.1 Property, plant and equipment

Rupees in lakhs

Particulars	Freehold land	Leasehold land	Buildings	Plant and equipment[4]	Mining properties[3]	Furniture & fixtures	Motor Vehicles	Office equipment	Computers	Total
Gross carrying amount										
Balance as at April 01, 2022	40,178	23,298	69,676	29,06,595	5,51,582	1,559	169	682	405	35,96,242
Additions	1,100	-	108	7,917	1,14,244	-	-	32	11	1,23,212
Adjustments[1]	-	-	-	39,371	-	-	-	-	-	39,371
Disposal	-	-	-	3,056	-	12	-	14	30	3,112
Balance as at Mar 31, 2023	**41,278**	**23,298**	**69,784**	**29,52,827**	**6,65,726**	**1,547**	**169**	**700**	**386**	**37,55,713**
Accumulated depreciation										
Balance as at April 01, 2022	1,217	4,181	22,947	9,09,987	4,93,367	1,238	158	403	132	14,63,332
Depreciation charge during the year[2]	228	656	3,344	87,731	1,05,915	101	3	79	38	1,78,196
Disposal	-	-	-	966	-	11	-	12	28	1,016
Balance as at Mar 31, 2023	**1,445**	**4,838**	**26,291**	**10,96,752**	**5,99,082**	**1,329**	**160**	**470**	**142**	**16,40,511**
Gross carrying amount										
Balance as at April 01, 2023	41,278	23,298	69,784	29,52,827	6,65,725	1,547	169	700	386	37,55,713
Additions	2,250	2,210	75	13,403	89,554	-	172	34	8	1,07,705
Adjustments[1]	-	-	-	6,282	-	-	-	-	-	6,282
Disposal	-	-	-	8	-	14	-	24	33	76
Balance as at March 31, 2024	**43,527**	**25,506**	**69,859**	**29,72,506**	**7,55,279**	**1,534**	**341**	**711**	**360**	**38,69,622**
Accumulated depreciation										
Balance as at April 01, 2023	1,445	4,838	26,291	10,96,752	5,99,082	1,329	160	470	142	16,40,511
Depreciation charge during the year[2]	343	660	3,347	89,588	1,08,078	75	7	79	38	1,82,216
Disposal	-	-	-	5	-	13	-	23	29	69
Balance as at March 31, 2024	**1,788**	**5,498**	**29,638**	**10,76,335**	**7,07,160**	**1,393**	**167**	**527**	**151**	**18,22,658**
Net carrying amount										
Net carrying amount as on March 31, 2023	39,833	18,456	43,493	18,46,075	66,644	218	9	230	243	21,15,202
Net carrying amount as on March 31, 2024	**41,739**	**20,008**	**40,221**	**18,96,171**	**48,119**	**141**	**174**	**183**	**209**	**20,46,964**

Notes:

1 Includes adjustment towards capitalisation of exchange differences (Refer note 5).

2 Refer note 2.1 (c) and note 2.1 (d)

3 Mining properties includes expenses incurred towards removal of over burden [Refer note 3.2(a)].

4 Includes adjustment towards government grant and transaction cost [Refer note 2.1(t).

Depreciation / Amortisation on Property, Plant and equipment and Intangible assets

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Statement of profit and loss	54,750	51,166
Amortisation of mining properties	1,08,078	1,06,015
Depreciation included as part of overburden excavation expenses-Dep-Coal	2,924	2,727
Depreciation included as part of overburden excavation expenses-Dep-OB	16,576	16,379
	1,82,328	**1,76,307**

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Notes to the financial statements for the year ended March 31, 2024 (continued)

3.2 Capital Work-In-Progress

Rupees in lakhs

Particulars	As at April 01, 2023	Incurred/Adjusted during the year	Capitalised / Adjusted	As at March 31, 2024
Assets under Construction	207	6,912	7,086	33
Total Capital Work in Progress	**207**	**6,912**	**7,086**	**33**
Previous Year	167	2,625	2,585	207

Ageing as at March 31, 2024

Rupees in lakhs

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress		10	-	23	33
Projects temporarily suspended	-	-	-	-	-
Total	-	10	-	23	33

Ageing as at March 31, 2023

Rupees in lakhs

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	184	-	-	23	207
Projects temporarily suspended	-	-	-	-	-
Total	184	-	-	23	207

Note:
The company does not have any capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

3.2(a) Mining Properties - Overburden excavation expense:

Rupees in lakhs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Fuel consumed	31,164	31,730
Stores and spares consumed	29,645	51,022
Employee benefit expense		
- Salaries and other costs	4,899	5,624
- Contribution to provident and other funds (Refer note 7)	117	143
- Leave encashment (Refer note 7)	6	56
Depreciation on mining assets	16,576	18,379
Mine development charges	53	53
-Plant and Equipment	3,705	2,869
-Building	3	437
-Others	151	19
Legal and professional charges	4	@
Other expenses	3,331	3,712
	89,554	**1,14,044**
Less : Transfer to Mining properties (Tangible assets)	89,554	1,14,044
Balance at the end of the year	-	-

Note:
@ Amount is below the rounding off norms adopted by the company.

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Notes to the financial statements for the year ended March 31, 2024 (continued)

3.3 Intangible assets

Rupees in lakhs

Particulars	Computer software	Mining rights	Total
Gross carrying amount			
Balance as at April 01, 2022	82	3,102	3,184
Additions	11		11
Disposals	-	-	-
Balance as at March 31, 2023	**93**	**3,102**	**3,195**
Accumulated amortisation			
Balance as at April 01, 2022	37	775	812
Amortisation charge during the year	1	110	111
Disposals	-	-	-
Balance as at March 31, 2023	**38**	**885**	**923**
Gross carrying amount			
Balance as at April 01, 2023	93	3,102	3,195
Additions		-	-
Disposals	-	-	-
Balance as at March 31, 2024	**93**	**3,102**	**3,195**
Accumulated amortisation			
Balance as at April 01, 2023	38	885	923
Amortisation charge during the year	1	111	112
Disposals	-	-	-
Balance as at March 31, 2024	**39**	**996**	**1,035**
Net carrying amount			
Net carrying amount as on March 31, 2023	55	2,217	2,272
Net carrying amount as on March 31, 2024	**53**	**2,107**	**2,160**

Notes: Intangible assets are other than internally generated.

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Notes to the financial statements for the year ended March 31, 2024 (continued)

		Rupees in lakhs
	As at March 31, 2024	As at March 31, 2023
3.4 Non-current financial assets		
3.4(a) Margin money deposits		
Margin money deposits / Fixed Deposits (Pledged for availing letter of credit facilities,bank guarantee and coal mining obligations)	**3,064**	2,140
	3,064	2,140
3.4(b) Other financial assets		
Derivative assets (Mark to Market) on derivative instruments [(Refer note 2(1)(k)]	**-**	1,796
Security Deposits	**283**	265
	283	2,061
3.5 Other non-current assets (Unsecured and considered good unless stated otherwise)		
Capital advances	**44,011**	47,864
	44,011	47,864
3.6 Non Current Tax Assets		
Tax deducted at source	**1,225**	1,059
	1,225	1,059
3.7 Inventories **(Valued at lower of cost and net realizable value)**		
Fuel	**13,041**	10,306
Stores and spares (As Certified by Management)	**51,360**	57,589
	64,401	67,895
3.8 Current financial assets		
3.8(a) Investments - Non Trade		
Investments in Mutual Funds (Fair value through profit and loss) **Quoted**		
Indiabulls liquid fund - Direct Growth [Number of units 103,205 (March 31, 2023 : 103,205) face value of Rs. 1000 each]	**2,414**	2,253
Nippon India Corporate Bond Fund-Direct Growth [Number of units 1,41,848 (March 31, 2023 : 1,41,848) face value of Rs. 10 each]	**80**	74
JM Liquidity Fund Direct - Growth Option [Number of units 1,762,291 (March 31, 2023 : 1,762,291) face value of Rs. 10 each]	**1,163**	1,084
	3,657	3,411
Aggregate amount of quoted invesments (market value)	**3,657**	3,411

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	Rupees in lakhs	
	As at March 31, 2024	As at March 31, 2023
3.8(b) Trade receivables		
(Unsecured and considered good unless stated otherwise)		
Trade Receivables considered good - Unsecured	1,03,577	80,921
Trade receivables [Receivable from related parties (Refer note 9)]	991	1,114
	1,04,568	82,035

Ageing as at March 31, 2024

Outstanding for following periods from due date of payment

Particulars	Less than 6 month	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)Undisputed Trade receivables considered good	94,842	-	9,726	-	-	1,04,568
(ii)Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii)Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv)Disputed trade receivables - considered good	-	-	-	-	-	-
(v)Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi)Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	**94,842**	-	**9,726**	-	-	**1,04,568**

Ageing as at March 31, 2023

Outstanding for following periods from due date of payment

Particulars	Less than 6 month	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)Undisputed Trade receivables considered good	66,474	15,561	-	-	-	82,035
(ii)Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii)Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv)Disputed trade receivables - considered good	-	-	-	-	-	-
(v)Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi)Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	66,474	15,561	-	-	-	82,035

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Sasan Power Limited
Notes to the financial statements for the year ended March 31, 2024 (continued)

		Rupees in lakhs
	As at March 31, 2024	As at March 31, 2023
3.8(c) Cash and cash equivalents		
Balance with banks:		
-In current accounts	**9,918**	10,606
- Margin Money Deposits / Fixed Deposits (Original maturity of less than three months)	**3,830**	3,229
(Pledged for availing letter of credit facilities,bank guarantee and coal mining obligations)		
	13,748	13,835
3.8(d) Bank balances other than cash and cash equivalents		
Margin money deposits / Fixed Deposits	**6,850**	8,587
(Pledged for availing letter of credit facilities,bank guarantee and coal mining obligations)		
	6,850	8,587
3.8(e) Other financial assets		
(Unsecured and considered good unless stated otherwise)		
Advances to employees	**66**	73
Interest accrued on Margin Money / Fixed Deposits	**415**	296
Derivative assets (mark to market) on derivative instruments	**2,032**	3,593
Other receivables	**706**	595
	3,219	4,557
3.9 Other current assets		
(Unsecured and considered good unless stated otherwise)		
Advance to vendors	**2,170**	2,805
Prepaid expenses	**2,201**	1,136
	4,371	3,941

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Notes to the financial statements for the year ended March 31, 2024 (continued)

	Rupees in lakhs	
	As at March 31, 2024	As at March 31, 2023
3.10 Equity share capital		
Authorised		
5,000,000,000 (March 31, 2023 : 5,000,000,000) equity shares of Rs.10 each	**5,00,000**	5,00,000
	5,00,000	5,00,000
Issued, subscribed and paid up capital		
4,327,364,250 (March 31, 2023: 4,327,364,250) equity shares of Rs.10 each fully paid up	**4,32,737**	4,32,737
	4,32,737	4,32,737
3.10.1 Reconciliation of number of equity shares		
Balance at the beginning of the year - 4,327,364,250 (March 31,2022: 4,327,364,250) shares of Rs.10 each	**4,32,737**	4,32,737
Add: Issued during the year - Nil (March 31, 2023: Nil) shares of Rs.10 each	-	-
Balance at the end of the year - 4,327,364,250 (March 31, 2023: 4,327,364,250) shares of Rs.10 each	**4,32,737**	4,32,737

3.10.2 Rights, preference and restriction attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts.

3.10.3 Equity shares held by Holding Company		
Reliance Power Limited - Holding Company 4,327,364,250 (March 31,2023: 4,327,364,250) equity shares of Rs.10 each fully paid up [Out of the above, 7 (March 31, 2023:7) shares are jointly held by Reliance Power Limited and its nominees]	**4,32,737**	4,32,737
	4,32,737	4,32,737

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3.10.3(a)

Shares held by promoters					
Name of Promoter	**As at March 31,2024**		As at March 31,2023		**% of Change during the year**
	No of shares	**% of total shares**	No of shares	% of total shares	
Reliance Power Limited	4,32,73,64,250	100	4,32,73,64,250	100	Nil
Total	**4,32,73,64,250**	**100**	4,32,73,64,250	100	

Shares held by promoters					
Name of Promoter	**As at March 31,2023**		As at March 31,2022		**% of Change during the year**
	No of shares	**% of total shares**	No of shares	% of total shares	
Reliance Power Limited	4,32,73,64,250	100	4,32,73,64,250	100	Nil
Total	**4,32,73,64,250**	**100**	4,32,73,64,250	100	

3.10.4 Details of equity shares held by equity shareholders holding more than 5% of the aggregate equity shares in the Company

Equity shares of Rs.10 each fully paid up held by Reliance Power Limited - Holding Company

Percentage of holding in the class	**100%**
Number of shares	**4,32,73,64,250**

3.10.5 4,327,364,250 Equity Shares as at March 31,2024 (4,327,364,250 as at March 31,2023) pledged by Holding company.

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Sasan Power Limited
Notes to the financial statements for the year ended March 31, 2024 (continued)

	Rupees in lakhs	
	As at March 31, 2024	As at March 31, 2023
Other equity		
3.11 Instruments entirely equity in nature		
Preference Shares	3,579	3,579
Inter-corporate deposits	20,000	20,000
	23,579	23,579
3.11.1 Preference Shares		
Authorised		
1,000,000,000 (March 31, 2023 : 1,000,000,000) preference shares of Rs.10 each	1,00,000	1,00,000
	1,00,000	1,00,000
Issued, subscribed and paid up		
35,788,750 (March 31, 2023 : 35,788,750) Preference shares of Rs.10 each fully paid up	3,579	3,579
	3,579	3,579
3.11.2 Reconciliation of number of preference shares		
Preference shares [refer note 3.11.3(a)]		
Balance at the beginning of the year - 35,788,750 (March 31, 2022: 33,788,750) shares of Rs.10 each	3,579	3,579
Balance at the end of the year - 35,788,750 (March 31, 2023: 35,788,750) shares of Rs.10 each	3,579	3,579

3.11.3 Rights, preference and restriction attached to Preference Shares and Inter corporate deposits

a) 7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS)

The Company has a call option on CCRPS which can be exercised by the Company in one or more tranches and in part or in full before the end of agreed tenure (20 years) of the said shares . In case the call option is exercised, CCRPS shall be redeemed at an issue price (i.e face value and premium). The holders of CCRPS however, shall have an option to convert CCRPS into equity shares at any time during the tenure of such shares. At the end of tenure and to the extent the Company or the shareholder has not exercised their options, CCRPS shall be compulsorily converted into equity shares. On conversion, in either case, each CCRPS shall be converted into one fully paid equity share of Rs. 10 each at a premium of Rs. 990 per share. If during the tenure of CCRPS, the Company declares equity dividend, CCRPS holders shall also be entitled to dividend on their shares at the same rate as the equity dividend and this dividend will be over and above the coupon rate of 7.5%. These preference shares shall continue to be non cumulative.

b) Interest free Inter corporate deposit

Interest free Inter corporate deposit, repayable to holding company after repayment of rupee term loan at a mutually agreed date i.e. on or after April 1, 2036.

3.11.4 Preference Shares held by Holding Company		
Preference shares [refer note 3.11.3(a)]		
Reliance Power Limited - Holding Company	3,579	3,579
35,788,750 (March 31, 2016 : 35,788,750, April 1, 2015 : 35,788,750) preference shares of Rs.10 each fully paid up		
	3,579	3,579

3.11.5 Details of shares held by Preference shareholders holding more than 5% of the aggregate preference shares in the Company

Preference shares	
Preference shares of Rs.10 each fully paid up held by Reliance Power Limited - Holding Company	
Percentage of holding in the class	100%
Number of shares	3,57,88,750

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	As at March 31, 2024	Rupees in lakhs As at March 31, 2023
3.11.6 Movement of instruments entirely equity in nature		
Preference shares		
Balance at the beginning of the year	**3,579**	3,579
Add : issued during the year	-	-
Less : reedemed during the year	-	-
Closing balance	**3,579**	3,579
Inter-corporate deposits		
Opening balance	**20,000**	20000
Add : received during the year	-	-
Less : repaid during the year	-	-
Closing balance	**20,000**	20,000
Total	**23,579**	23,579
3.12 Reserves and surplus		
Balance at the end of the year		
Securities premium	**3,58,184**	3,58,184
Retained earnings	**599**	18,431
Other comprehensive income/(Loss)	**(1,513)**	(1,439)
Total reserves and surplus	**3,57,270**	3,75,176
3.12.1 Securities premium		
Balance at the beginning of the year	**3,58,184**	3,58,184
Balance at the end of the year	**3,58,184**	3,58,184
3.12.2 Retained earnings		
Balance at the beginning of the year	**18,431**	16,895
Net profit / (loss) for the year	**(17,832)**	1,536
Balance at the end of the year	**599**	18,431
3.12.3 Other comprehensive income/(loss) for the year (Remeasurements of post employment benefit obligation)		
Balance at the beginning of the year	(1,439)	(523)
Add: Addition during the year	(74)	(916)
Balance at the end of the year	**(1,513)**	(1,439)
	3,57,270	3,75,176

Nature and purpose of reserves

Securities premium

Securities premium is created to record premium received on issue of shares. The reserve is utilized in accordance with the provision of the Companies Act, 2013.

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	As at March 31, 2024	As at March 31, 2023
		Rupees in lakhs

3.13 Non-current financial liabilities

3.13(a) Non-current borrowings

At amortised cost		
Secured		
Term loans:		
Rupee loans from banks	**4,03,781**	4,32,562
Rupee loans from financial institutions / other parties	**2,56,858**	2,74,065
Foreign currency loans from financial institutions / other parties	**84,371**	2,70,776
	7,45,010	9,77,403

3.13(a1) Nature of security for term loans

a) Term loans from all banks, financial Institution/other parties of Rs. 9,84,222 Lakhs (March 31, 2023: Rs. 10,96,193 lakhs) is secured / to be secured by first charge on all the immovable and movable assets and intangible asset of the Company and pledge of 100% of the total issued share capital of the Company held by the Holding Company on pari passu basis with working capital lenders, permitted bank guarantee providers and hedge counterparties.

Charge over 414 Hectare of land yet to be fully acquired and on de-allocated Chhatrashal Coal mines which is subject to decision of Honourable High Court is pending to be executed.

b) The Holding Company has given financial commitments/guarantees to the lenders of the Company.

3.13(a2) Terms of Repayment and Interest

a) Rupee Term Loan outstanding as at the year end of Rs. 4,33,446 lakhs (March 31, 2023 : Rs. 4,69,552 lakhs) has been obtained from banks for the project. Earlier 50% of the loan was repayable in 40 quarterly installements and remaining 50% in one single bullet payment at the end of ten years from March 31, 2015 was subsequently restructured under flexbile structuring scheme of Reserve Bank of India and the outstanding balance as on October 01, 2015 is repayable in 82 structured quarterly installments commencing from December 31, 2015.

b) Rupee Term Loan outstanding as at the year end of Rs. 76,196 lakhs (March 31, 2023 : Rs. 82,202 lakhs) has been obtained from financial institutions for the project. Earlier 50% of the loan was repayable in 40 quarterly installments and remaining 50% in one single bullet payment at the end of ten years form March 31, 2015 was subsequently restructured under flexible structuring scheme of Reserve Bank of India and the outstanding balance as on October 01, 2015 is repayable in 82 structured quarterly installments commencing from December 31, 2015.

c) Rupee Term Loan outstanding as at the year end of Rs. 1,99,105 lakhs (March 31, 2023 : Rs. 2,14,639 lakhs) has been obtained from financial institutions for the project. Earlier the loan was repayable in 60 quarterly instalments starting form March 31, 2015 which has now been restructured under flexible structuring scheme of Reserve Bank of India and the outstanding balance as on October 01, 2015 is repayable in 82 structured quarterly instalments commencing from October 15, 2015.

d) 50 % of Foreign Currency Loan from financial institutions/other parties outstanding as at the year end of Rs. 1,34,638 lakhs (March 31, 2023 : Rs. 1,51,548 lakhs) is repayable in 40 quarterly instalments commenced from March 31, 2015. Remaining 50% is repayable in one single bullet on the same date as repayment date for 40th quarterly installment.

e) Foreign currency loan from financial institution / other parties outstanding as at the year end of Rs. 1,40,637 lakhs (March 31, 2023 : Rs. 1,69,188 lakhs) is repayable in 24 structured semi-annual instalments commencing from March 20, 2015.

f) Foreign currency loan from financial institution / other parties outstanding as at the year end of Rs. Nil (March 31, 2023 : Rs. 9,064 lakhs) is repayable in 19 structured semi-annual instalments commencing from March 20, 2015.

g) Interest rate on borrowings ranges between 3.66% p.a to 13.35% p.a.

3.13(a3) The amortised cost disclosed above is net off incidental cost of borrowings aggregating of Rs.1,468 lakhs (March 31, 2023 Rs. 2,940 lakhs).

3.13(b) Other non-current financial liabilities

Derivative liabilities (Mark to Market) on derivative instruments	-	3,333
	-	3,333

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Notes to the financial statements for the year ended March 31, 2024 (continued)

		Rupees in lakhs
	As at March 31, 2024	As at March 31, 2023
3.14 Non-current provisions		
Provision for gratuity (Refer note 7)	2,056	1,856
Provision for leave benefit (Refer note 7)	1,353	1,262
Provision for mine closure expenses (Refer note 11)	2,959	2,601
	6,368	5,719
3.14(a) Deferred tax liabilities		
Net deferred tax liability due to timing difference (Refer note 13)	27,426	7,531
	27,426	7,531
3.15 Other non-current liabilities		
Government Grant (Refer Note 12)	1,22,302	1,26,507
Security Deposits	109	109
	1,22,411	1,26,616
3.16 Current financial liabilities		
3.16(a) Current borrowings		
At amortised cost		
Secured		
Cash credit facility from banks	55,856	52,744
Current maturities of long-term borrowings (Refer note 3.13 (a1) and 3.13 (a2))	2,37,743	1,15,850
Nature of security, interest and terms of repayment:		
- Cash credit facility is secured / to be secured by first charge on all current and fixed assets of the Company and pledge of 100% of the total issued share capital of the Company held by the Holding Company on pari passu basis with term loan lenders, permitted bank guarantee providers and hedge counterparties.		
- Cash Credit facility carry an average interest rate of MCLR +3% per annum.		
- Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.		
	2,93,599	1,68,594

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Notes to the financial statements for the year ended March 31, 2024 (continued)

Rupees in lakhs

	As at March 31, 2024	As at March 31, 2023
3.16(b) Trade payables		
Total Outstanding dues of micro enterprises and small enterprises (Refer note 18)	1,132	1,657
Total Outstanding dues of creditors other than micro enterprises and small enterprises	23,490	29,138
	24,622	30,795

Ageing as at March 31, 2024

Outstanding for following periods from due date of payment

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	531	169	131	301	1,132
(ii) Others	17,659	3,136	305	2,390	23,490
(iii) Disputed dues - MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**18,190**	**3,305**	**436**	**2,691**	**24,622**

Ageing as at March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1019	197	137	304	1657
(ii) Others	26,565	627	384	1,562	29,138
(iii) Disputed dues - MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	27,584	824	521	1,866	30,795

3.16(c) Other current financial liabilities		
Interest accrued but not due on borrowings	2,750	2,938
Security deposits received	250	181
Creditors for capital expenditure	749	671
Derivative financial instruments	3,878	4,997
Employee benefits payable	2,336	2,212
Other payables (Refer note 9)	1,11,073	87,509
	1,21,036	98,508
3.17 Other current liabilities		
Government grant (Refer note 12)	4,205	4,205
Statutory dues (including electricity duty and energy development cess,royalty,TDS and provident fund etc)	1,39,754	1,00,456
	1,43,959	1,04,661
3.18 Current provisions		
Provision for leave encashment (Refer note 7)	537	414
	537	414

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Rupees in lakhs

	Year ended March 31, 2024	Year ended March 31, 2023
3.19 Revenue from operations		
Sale of energy	**4,59,168**	4,27,037
	4,59,168	4,27,037
Details of revenue from contract with customers		
Revenue from Sale of energy	**4,64,895**	4,30,212
Less: Significant financials components		
- Rebate given	**5,728**	3,175
Total revenue as per contract price	**4,59,168**	4,27,037
3.20 Other income		
Interest Income on:		
- Late payment surcharge from Customer	**2,032**	1,354
- Fixed deposits/Margin money deposits	**972**	728
- Income Tax Refund	**62**	32
Gain from investments mandatorily measured at FVPL :		
Investment in mutual funds	**246**	179
Government grants (Refer note 12)	**4,206**	4,206
Insurance claim received	**2,178**	9,123
Liabilities written back (Refer Note 9)	**2,930**	-
Other non-operating income	**509**	4,465
	13,135	20,087
3.21 Cost of fuel consumed		
Opening balance of fuel	**10,306**	8,644
Add:		
Amortisation of mining properties	**1,08,078**	1,06,015
Taxes and duties	**53,322**	44,955
Fuel consumed	**9,729**	10,043
Stores and spares consumed	**5,299**	7,275
Depreciation	**2,924**	2,727
Other expenses	**2,172**	1,512
Less : Closing balance of fuel	**(13,041)**	(10,306)
	1,78,789	1,70,865
3.22 Employee benefits expense		
Salaries, bonus and other allowances	**8,862**	8,409
Contribution to provident fund and other funds (Refer Note 7)	**571**	499
Gratuity (Refer Note 7)	**451**	279
Leave encashment	**311**	508
Staff welfare expenses	**420**	399
	10,615	10,094

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Notes to the financial statements for the year ended March 31, 2024 (continued)

		Rupees in lakhs
	Year ended March 31, 2024	Year ended March 31, 2023
3.23 Finance cost		
Interest and finance expense on financial liabilities measured at		
On Rupee term loans	**95,696**	98,102
On Foreign currency loans	**20,801**	18,108
On Working capital loans	**6,024**	5,563
Unwinding of discount on mine closure provision (Refer note 11)	**305**	269
Other finance charges	**24,104**	10,822
	1,46,930	1,32,864

3.24 Generation, administration and other expenses		
Stores and spares consumed	**9,893**	7,756
Rent expenses	**380**	110
Repairs and maintenance		
- Plant and equipment	**8,994**	9,460
- Building	**307**	165
- Others	**643**	547
Legal and professional charges (including shared service charges) (Refer Note 9)	**5,419**	6,575
Travelling and conveyance	**363**	263
Rates and taxes	**15**	201
Insurance	**8,081**	4,943
Water Charges	**6,620**	5,314
Loss on discard of property, plant and equipment	**@**	2,089
Electricity duty and energy development cess	**35,114**	31,731
Expenditure towards Corporate Social Responsibilities (Refer note 22)	**296**	319
Miscellaneous expenses	**4,025**	4,520
	79,156	73,993

@ Amount is below rounding off norms adopted by the company

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4) Contingent liabilities and commitments:

a) The Company has received net claims amounting to Rs. 974 lakhs (March 31, 2023: Rs. 974 lakhs) from contractors towards deductions made by the Company due to non-performance of certain obligations under the terms of arrangement for the certain construction works. The matter is under arbitration.

b) The Company has received claims of Rs. 2,568 lakhs (March 31, 2023: Rs.2,568 lakhs) from some of the procurers alleging delay in achievement of commercial operation of first and second unit, which has been disputed by the Company and is pending before the High Courts.

c) The Company has disputed the methodology for quantification of tax liability on annual value of mineral bearing land, adopted by the District Authorities under Madhya Pradesh Gramin Avsanrachna Tatha Sadak Vikas Adhiniyam (MPGATSVA/Act). The liability as per methodology adopted by the District Authorities stands as at Rs. 129,409 lakhs (March 31, 2023: Rs. 107,552 lakhs). (Including interest).

The Company had filed a writ petition before Jabalpur High Court for revised quantification, however the same was rejected by the Court by its order dated January 17, 2018. The Company had filed a Review Petition before Jabalpur High Court against its order dated January 17, 2018 and the same was also rejected by Honorable High Court. The Company has filed a Civil Appeal before Honorable Supreme court where Honorable Supreme court has passed an interim order to pay the tax under MPGATSVA as per the methodology adopted by the Company and the Civil Appeal has been tagged with other Appeals filed in the Honorable Supreme Court where the constitutional validity of the Act is under consideration. In accordance with the said interim order, company is depositing the tax under MPGATSVA as per the quantification done by the company, The Constitution Bench Concluded hearing on 14th Mar 24 and the order is reserved.

d) Estimated amount of contracts remaining to be unexecuted on capital account and not provided for Rs. 73,798 lakhs (March 31, 2023: Rs. 77,326 lakhs).

e) The Company has not provided for Income Tax demand of Rs. 366 Lakhs (March 31, 2023: Rs. 366 lakhs) which is pending before various authorities.

5) Exchange differences on long term foreign currency monetary items outstanding:

The Company has capitalised the value of PPE with an amount of Rs. 6,282 lakhs (March 31, 2023: Rs 39,371 lakhs) arising on settlement or reinstatement of the long term foreign currency monetary items outstanding as of March 31, 2024. Refer note 2.1(p) above for the policy.

6) Details of remuneration to auditors (Excluding Taxes):

Rupees in lakhs

	Year ended March 31, 2024	Year ended March 31, 2023
As Auditors		
For Statutory Audit	58	58
For others- Certification Charges	2	4

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7) Employee Benefit Obligations

The Company has classified various employee benefits as under:

a) Leave obligations

The leave obligations cover the Company liability for sick and privileged leave.

		Rupees in lakhs
Particulars	**March 31, 2024**	**March 31, 2023**
Current*	537	414
Non-current	1,353	1,262

* The Company does not have an unconditional right to defer the settlements.

b) Defined contribution plans

(i) Provident fund
(ii) Superannuation fund
(iii) State defined contribution plans
- Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner and the superannuation fund is administered by the trust. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.
The Company has recognized following amounts in the statement of profit and loss / overburden excavation expenses for the year:

		Rupees in lakhs
Particulars	**March 31,2024**	**March 31, 2023**
Contribution to provident fund	398	344
Contribution to employees' pension scheme 1995	85	88

c) Post employment obligation

Gratuity:

The Company has a defined benefit plan, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days basic salary for every completed year of service or part thereof in excess of six months, based on the rate of basic salary last drawn by the employee concerned.

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(i) Significant estimates: actuarial assumptions

Valuations in respect of gratuity have been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	March 31, 2024	March 31, 2023
Discount rate (per annum)	7.15%	7.30%
Rate of increase in compensation levels	7.50%	7.50%
Rate of return on plan assets	7.15%	7.30%

The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(ii) Gratuity Plan

Rupees in lakhs

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2023	**2,657**	**(801)**	**1,856**
Current service cost	317	-	317
Interest on net defined benefit liability/assets	176	(42)	134
Total amount recognized in Statement of Profit and Loss / overburden excavation expenses	**493**	**(42)**	**451**
Remeasurements during the year			
Return on plan assets, excluding amount included in interest expense/(income)	-	(66)	(66)
(Gain) / loss from change in financial assumptions	27	-	27
(Gain) / loss arising from change in demographic assumptions			
Experience (gains) / losses	115	-	115
Total amount recognized in Other Comprehensive Income	**142**	**(66)**	**76**
Employer Contribution	**-**	**(325)**	**(325)**
Liabilities assumed/(settled)			
Benefit payments	**(181)**	**181**	**-**
As at March 31, 2024	**3,111**	**(1055)**	**2,056**

Rupees in lakhs

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2022	**1,662**	**(601)**	**1,061**
Current service cost	211	-	211
Interest on net defined benefit liability/assets	98	(30)	68
Total amount recognized in Statement of Profit and Loss / overburden excavation expenses	**309**	**(30)**	**279**
Remeasurements during the year			
Return on plan assets, excluding amount included in interest expense/(income)	-	5	5

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(Gain) / loss from change in financial assumptions	(119)	-	(119)
(Gain) / loss from change in demographic assumptions			
Experience (gains) / losses	1,030	-	1,030
Total amount recognized in Other Comprehensive Income	**911**	**5**	**916**
Employer Contribution	**-**	**(400)**	**(400)**
Liabilities assumed/(settled)			
Benefit payments	**(225)**	**225**	**-**
As at March 31, 2023	**2,657**	**(801)**	**1,856**

The net liability disclosed above relates to funded plans are as follows:

		Rupees in lakhs
Particulars	**March 31, 2024**	**March 31, 2023**
Present value of funded obligations	3,111	2,657
Fair value of plan assets	(1055)	(801)
Deficit of funded plan	**2,056**	**1,856**

(iii) Sensitivity analysis:

The sensitivity analysis of the provision for defined benefit obligation to the changes in the weighted principal assumptions are:

			Impact on closing balance of provision of defined benefit obligations			
Particulars	**Change in assumptions**		**Increase in assumptions**		**Decrease in assumptions**	
	March 31, 2024	**March 31, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2024**	**March 31, 2023**
Discount rate	50 bps	50 bps	(2.71%)	(2.82%)	2.86%	2.98%
Rate of increase in compensation levels	50 bps	50 bps	2.84%	2.96%	(2.72%)	(2.83%)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iv) The above defined benefit gratuity plan is administrated 100% by Reliance Nippon Life Insurance Company Limited as at March 31, 2024 as well as March 31, 2023.

For unfunded plan, the Company has no compulsion to pre fund the liability of the plan. The Company's policy is not to externally fund these liabilities but to recognize the provision and pay the gratuity to its employees directly from its own resources as and when the same becomes due.

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(v) Defined benefit liability and employer contributions:

Expected contributions to post-employment benefit plans for the year ending March 31, 2024 is Rs. 3 Crore

The weighted average duration of the defined benefit obligation is 5.57 years (March 31,2023 – 5.79 Years).

(vi) Maturity analysis of Project Benefit obligation

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Within 12 months	632	492
1 to 5 years	1,517	1,301
Beyond 5 years	2,894	2,638
Total	**5,043**	**4,431**

(vii) The plan liabilities are calculated using a discount rate set with reference to bond yields. If plan assets under perform, this yield will create a deficit.

8) Assets pledged as security

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Non-current		
First charge		
Financial assets		
Margin money deposits	3,064	2,140
Other financial assets	283	2,061
Non-financial assets		
Property, plant and equipment	20,46,964	21,15,202
Capital work-in-progress	33	207
Intangible assets	2,160	2,272
Other non-current assets	45,236	48,923
Total non-current assets pledged as security (A)	**20,97,740**	**21,70,805**
Current		
First charge		
Financial assets		
Investments	3,657	3,411
Trade receivables	104,568	82,035
Cash and bank balances	20,598	22,422
Other financial assets	3,219	4,557
Non-financial assets		
Inventories	64,401	67,895
Other current assets	4,371	3,941
Total Current assets pledged as security (B)	**2,00,814**	**1,84,261**
Total assets pledged as security (A+B)	**22,98,554**	**23,55,066**

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9) Related party transactions:

As per Ind AS 24 'Related Party Transactions' as prescribed by the Companies (Indian Accounting Standards) Rules, 2015, the Company's related parties and transactions are disclosed below:

A) Entity having control over the Company:

Holding company
Reliance Power Limited (R Power)

B) Major investing parties/promoters having significant influence on the holding company directly or indirectly:

Company

Reliance Infrastructure Limited (R Infra)

Individual

Shri. Anil D. Ambani

C) Related parties with whom transactions have taken place during the year/ closing balance existed at year end :

i) Key Management Personnel

a) Shri Sachin Mohapatra, Director (Chief Executive Officer and Whole Time Director)
b) Shri Laxmi Dutt Vyas, Chief Financial Officer
c) Smt Ramandeep Kaur, Company Secretary (w.e.f April 28, 2023)
d) Shri Shrikant D Kulkarni, Director
e) Shri Suresh babu Konakanchi, Independent Director
f) Smt Chhya Virani, Independent Director
g) Shri Umesh Kumar Agrawal, Director
h) Shri Murli Manohar Purohit, Company Secretary (Upto April 28, 2023)
i) Shri Umesh Mahato, Director (Upto March 14, 2023)
j) Shri A.K.Singh, Chief Executive Officer (Upto June 09, 2022)

ii) Fellow Subsidiaries

a) Chitrangi Power Private Limited (CPPL)
b) Dhursar Solar Power Private Limited (DSPL)

iii) Company over which companies/ individuals described in clause B have control / significant influence

a) BSES Rajdhani Power Limited (BRPL)
b) BSES Yamuna Power Limited (BYPL)

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D) Details of transactions and closing balances:

(i) Transactions during the year:

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Sale of energy		
BRPL (net of rebate)	7,214	6,663
BYPL (net of rebate)	35,345	32,467
Other Income - Liabilities Written Back		
R Power	2,644	-
Legal and Professional Fees (including shared service charges)		
R Power	4,012	4,673
Reimbursement of expenditure paid for		
R Power	125	266
Remuneration to Key Management Personnel		
- Short term employee benefits	347	457
- Post-employment defined benefits	21	25
- Director sitting fees	3	2

(ii) Outstanding closing balances:

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Capital advance		
R Infra	27,650	27,650
Trade receivables		
BRPL	114	67
BYPL	1,210	1,047
Advance recoverable in cash or kind		
DSPL	23	23
CPPL	3	3
Equity Share Capital (excluding premium)		
R Power	4,32,737	4,32,737
Preference Share Capital (excluding premium)		
R Power	3,579	3,579
Inter-corporate deposit (other equity)		
R Power	20,000	20,000

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Other current financial liabilities		
R Power	39,842	39,365
R Infra	-	-
Capital Commitment		
R Infra	71,556	71,319

(iii) R Infra has given an equity support undertaking to the power procurers, that in the event of failure on part of R Power to invest, in full or in part, in the equity share capital of the Company, it shall subscribe to the balance equity.

(iv) The Holding Company has entered into agreements with the lenders of the Company wherein it has committed/ guaranteed to extend financial support in the form of equity or debt as per the agreed means of finance, in respect of the project being undertaken, including any capital expenditure over and above the project cost approved by the lenders and to meet shortfall in the expected revenues/debt servicing based on the future outcome of various uncertainties.

(v) The above disclosure does not include transactions with public utility service providers, viz. electricity, telecommunications in the normal course of business.

10) Earnings per share: **Rupees in lakhs**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit available to equity shareholders		
Profit / (Loss) of continuing operation (A) (Rs. in Lakhs)	**(17,832)**	1,536
Profit / (Loss) of discontinuing operation (B) (Rs. in Lakhs)	-	-
Profit of continuing and discontinuing operation (C) (Rs. in Lakhs)	**(17,832)**	1,536
Number of equity shares		
Weighted average number of equity share outstanding (Basic) (D)	**4,32,73,64,250**	4,32,73,64,250
Weighted average number of equity share outstanding (Diluted) (E)	**4,36,31,53,000**	4,36,31,53,000
Basic earnings per share for continuing operations (A/D) (Rs.)	**(0.41)**	0.04
Diluted earnings per share for continuing operations (A/E) (Rs.)	**(0.41)**	0.04
Basic earnings per share for discontinued operations (B/D) (Rs.)	-	-
Diluted earnings per share for discontinued operations (B/E) (Rs.)	-	-
Basic earnings per share for continued and discontinued operations (C/D) (Rs.)	**(0.41)**	0.04
Diluted earnings per share for continued and discontinued Operations (C/E) (Rs.)	**(0.41)***	0.04
Nominal value of an equity share (Rs.)	**10**	10
Reconciliation of weighted average number of equity shares outstanding		
Weighted average number of equity shares used as denominator for calculating Basic EPS	**4,32,73,64,250**	4,32,73,64,250
Total Weighted average potential equity shares	**35,788,750**	35,788,750
Weighted average number of equity shares used as denominator for calculating Diluted EPS	**4,36,31,53,000**	4,36,31,53,000

* 7.5% Compulsory convertible redeemable non-cumulative preference shares had anti-dilutive effect on earnings per share and have not been considered for the purpose of computing diluted earning per share.

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11) Provision for mine closure obligation

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Balance as at beginning of the year	2,601	2,280
Additions	53	52
Amount used/reversed	-	-
Unwinding of interest	305	269
Balance as at the end of the year	**2,959**	**2,601**

Provision for mine closure obligation represents estimates made towards the expected expenditure for restoring the mining area and other obligatory expenses as per the approved mine closure plan. The timing of the outflow with regard to the said matter would be in a phased manner based on the progress of excavation of coal and consequential restoration cost.

12) Government Grants

Exemptions granted by Government of India to Ultra-mega power projects under the Customs Act, 1962 are recognized at their fair value as Government Grant. (Refer note 2.1(t)).

Given below are details of the movement of Government Grant:-

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Opening balance	1,30,712	1,34,918
Grants during the year	-	-
Released to statement of profit and loss	(4,206)	(4,206)
Closing balance	**1,26,506**	**1,30,712**

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Current portion	4,205	4,205
Non-current portion	1,22,301	1,26,507
Closing balance	**1,26,506**	**1,30,712**

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13) Income taxes

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are as under:

(a) Income tax recognized in Statement of Profit and Loss

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
(i) Income Tax expense		
Current year tax	-	-
Income tax for earlier years	-	-
Total	-	-
(ii) Deferred tax		
Decrease/ (increase) in deferred tax assets	-	-
(Decrease)/ increase in deferred tax liabilities	19,895	6,586
Total	**19,895**	**6,586**
Total income tax expense/(Credit) (i)+(ii)	**19,895**	**6,586**

(b) The reconciliation of tax expense and the accounting profit multiplied by tax rate:

Rupees in lakhs

Particulars	March 31,2024	March 31,2023
Profit / (loss) before tax	2,063	8,122
Tax at the Indian tax rate of 25.17% (2022-23: 25.17%)	519	2,044
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect due to disallowance of expenditure u/s 43B	5,457	5,486
Income not chargeable to income tax under Income Tax Act, 1961	(540)	(1,285)
Others	14,459	341
Income tax expense/(Credit)	**19,895**	**6,586**

(c) Non-current tax assets:

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Opening balance	1,059	469
Current tax payable for the year	-	-
Taxes paid/ (refunded)/Adjusted(net)	166	590
Closing balance	**1,225**	**1,059**

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Notes to the financial statements for the year ended March 31, 2024 (Continued)

(d) Deferred tax balances:

The balance comprises temporary differences attributable to

Rupees in lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
Deferred tax assets / (liabilities)		
Property, Plant and Equipment and others	(2,55,016)	(2,36,816)
Brought forward loss and unabsorbed depreciation	1,95,748	1,96,385
Government Grant	31,842	32,900
Net deferred tax Assets / (Liabilities)	**(27,426)**	**(7,531)**

(e) Movement in deferred tax assets / (liabilities)

Rupees in Lakhs

Particulars	Property, Plant and equipment and others	Brought forward loss and unabsorbed depreciation	Government Grant	Total
At April 01, 2022	(2,14,711)	1,79,808	33,959	(944)
(Charged)/credited to Statement of profit and loss	(22,105)	16,577	(1,059)	**(6,587)**
At March 31, 2023	**(2,36,816)**	**1,96,385**	**32,900**	**(7,531)**
(Charged)/credited to Statement of profit and loss	(18,200)	(637)	(1,058)	**(19,895)**
At March 31, 2024	**(2,55,016)**	**1,95,748**	**31,842**	**(27,426)**

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14) Fair value measurements

(a) Financial instruments by category

Rupees in lakhs

Particulars	Note	March 31, 2024		March 31, 2023	
		FVPL	Amortized cost	FVPL	Amortized cost
Financial assets					
Margin money deposits	3.4(a)	-	3,064	-	2,140
Derivative assets	3.4(b),3.89(e)	2,032		5,389	
Security Deposits	3.4(b)	-	283	-	265
Investment in mutual funds	3.8(a)	3,657		3,411	
Trade receivables	3.8(b)	-	104,568	-	82,035
Cash and cash equivalents	3.8(c)	-	13,748	-	13,835
Bank balances other than cash and cash equivalent	3.8(d)	-	6,850	-	8,587
Advance to employees	3.8(e)	-	66	-	73
Interest accrued on deposits	3.8(e)	-	415	-	296
Other Receivables	3.8(e)	-	706	-	595
Total financial assets		**5,689**	**1,29,700**	**8,800**	**1,07,826**
Financial liabilities					
Borrowings (Refer note1 below)	3.13(a), 3.16(a) & 3.16(c)	-	10,41,359	-	11,48,935
Creditors for capital expenditure	3.16(c)	-	749	-	671
Derivative liabilities	3.13(b),3.16(c)	3,878		8,330	
Trade payables	3.16(b)	-	24,622	-	30,795
Security deposits	3.16(c)	-	250	-	181
Employee benefits payable	3.16(c)	-	2,336	-	2,212
Other payables	3.16(c)	-	111,073	-	87,509
Total financial liabilities		**3,878**	**11,80,389**	**8,330**	**12,70,303**

Note - Composition of items included in borrowings above:

Note 1 – Borrowings

Rupees in lakhs

Particulars	Notes	March 31, 2024	March 31, 2023
Long term borrowings	3.13(a)	7,45,010	9,77,403
Short term borrowings	3.16(a)	55,856	52,744
Current maturity of long term borrowings	3.16(a)	2,37,743	1,15,850
Interest accrued but not due on borrowings	3.16(c)	2,750	2,938
Total		**10,41,359**	**11,48,935**

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Notes to the financial statements for the year ended March 31, 2024 (Continued)

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. The Company has not disclosed fair values of financial instruments such as trade receivables, trade payables, cash and cash equivalents, Margin Money deposit / Fixed deposit, Security deposit and other receivables, employees benefit payable etc. as carrying value is reasonable approximation of fair values. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Rupees in lakhs

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at FVPL				
Derivatives	-	2,032	-	2,032
Investment in Mutual funds	3,657	-		3,657
Total financial assets	**3,657**	**2,032**	**-**	**5,689**
Financial liabilities at FVPL				
Derivatives	-	3,878	-	3,878
Total financial liabilities	**-**	**3,878**	**-**	**3,878**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities				
Borrowings	-	9,78,354	-	9,81,054
Total financial liabilities	**-**	**9,78,354**	**-**	**9,81,054**

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at FVPL				
Derivatives	-	5,389	-	5,389
Investment in Mutual funds	3,411	-	-	3,411
Total financial assets	**3,411**	**5,389**	**-**	**8,800**
Financial liabilities at FVPL				
Derivatives	-	8,330	-	8,330
Total financial liabilities	**-**	**8,330**	**-**	**8,330**

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Rupees in lakhs

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial liabilities				
Borrowings	-	10,79,461	-	10,79,461
Total financial liabilities	-	**10,79,461**	-	**10,79,461**

(c) Valuation processes

The Company obtains assistance of competent third party to perform the valuations of financial assets and liabilities required for financial reporting purposes. Discussions of valuation processes and results are held between the Company and the valuer on annual basis.

(d) Valuation technique used to determine fair values

Specific valuation techniques used to value financial instruments include:

- The mutual funds are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue these units and will redeem such units of mutual fund to and from the investor.
- The fair value of forward foreign exchange contracts and foreign currency option contracts are considered as valued by third party.

(e) Fair value of financial assets and liabilities measured at amortised cost:

Rupees in lakhs

Particulars	March 31, 2024		March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Margin Money Deposits / Fixed Deposits	3,064	3,064	2,140	2,140
Security Deposits	283	283	265	265
Total financial assets	**3,347**	**3,347**	**2,405**	**2,405**
Financial Liabilities				
Borrowings*	9,85,503	9,78,354	10,96,192	10,79,461
Total financial liabilities	**9,85,503**	**9,78,354**	**10,96,192**	**10,79,461**

* Carrying amount of borrowing includes long term borrowing, current maturity of long term borrowing and Interest accrued but not due on borrowing.

The carrying amount of current financial assets and liabilities (other than current maturity of long term borrowing and interest accrued but not due on borrowing which have been considered as part of borrowing) are considered to be the same as their fair values, due to their short term nature.

The fair value of the long-term Borrowings with floating-rate of interest is not impacted due to interest rate changes, and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company borrowing (since the date of inception of the loans).

For financial assets and liabilities that are measured at fair value, the carrying amount is equal to the fair values.

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Note:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

15) Financial risk management

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risks.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Diversification of bank deposits, letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognized financial liabilities not denominated in Indian rupee (Rs.)	Sensitivity analysis	Partly hedge by Foreign exchange forward contract and Call Spread Options
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	

(a) Credit risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises from cash and cash equivalents, mutual funds, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures with trade customers towards sale of electricity as per the terms of PPA under respective state regulations and respective state distribution companies including outstanding receivables.

Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company credit risk arises from accounts receivable balances on sale of electricity based on the PPA entered with power procurers and inter-corporate deposits / loans given to group entities. The credit risk is low as the sale of electricity is based on the terms of the PPA which has been approved by the regulator. The inter-corporate deposits / loan have been given only to entities within the group. There is no change in the risk status of such corporates.

For banks and financial institutions, only highly rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at company level.

(i) Trade receivables

Trade receivables consists of Power Procurers with whom Company has entered into Power Purchase agreement (PPA) in order to sell the electricity generated at its power station. Credit risk in case of trade receivables would arise if the counter party would not be able to settle their obligations as agreed in the Power Purchase agreement (PPA). To manage the above risk the Company on an monthly basis assesses the financial reliability of the customers, taking into account the financial condition, current economic trends and analysis of bad-debts and ageing of accounts receivables. In addition the receivable balances are monitored by the Company on an ongoing basis, with the result that the Company's exposure to bad-debts is not significant.

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Further trade receivable of the Company consists of customers which are mainly state government owned power distribution companies and receivables are secured by letter of credit given by customers as per PPA terms.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed in note 3.8(b).

(ii) Other financial assets

With respect to credit risk arising from the other financial assets of the Company, which comprise cash and bank balances including fixed deposits, derivative instruments, security deposits, advances to employees and related parties, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments on the reporting date as disclosed in note 3.4(a), 3.4(b), 3.8(c), 3.8(d) and 3.8(e). The Company limits its counter party risk on the assets by dealing with banks/FI which are high rated. Further, there is no credit risk perceived pertaining to investments, advances to employees, derivative instruments and security deposits as disclosed in note 3.8(a), 3.8(c) and 3.4(b).

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

In respect of its existing operations, the Company funds its activities primarily through long-term loans secured against plant and machinery and long terms loans and advances. In addition, the Company has working capital loans available which are renewable annually, together with certain intra-group loans. The Company's objective in relation to its existing operating business is to maintain sufficient funding to operate at an optimal level.

The Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Current liabilities is exceeding current assets due to disclosure of Current maturities of Long term Borrowing as Current Liabilities as per requirement of Schedule III of the Companies Act, 2013.

(i) Maturities of financial liabilities
The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Rupees in lakhs

March 31, 2024	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Non-derivatives liabilities				
Borrowings*	3,31,497	5,73,745	6,09,110	15,14,352
Creditors for capital expenditure	749	-	-	749
Trade payables	24,622	-	-	24,622
Security deposits received	250	-	-	250
Employee benefit payable	2,336	-	-	2,336
Other Payables	1,11,073	-	-	1,11,073
Total non-derivative liabilities	**4,70,527**	**5,73,745**	**6,09,110**	**16,53,382**

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Derivatives				
Forward exchange contracts used for hedging:				
Outflow	22,472	-	-	22,472
Inflow	(18,594)	-	-	(18,594)
Total derivative liabilities	**3,878**	**-**	**-**	**3,878**

The company has recognized MTM (loss)/gain of Rs. (579) Lakhs (March 31, 2023 Rs. (2,792 Lakhs) on outstanding derivative contract as on reporting date.

Rupees in lakhs

March 31, 2023	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Non-derivative liabilities				
Borrowings*	2,12,771	7,37,256	7,47,950	16,97,977
Creditors for capital expenditure	671	-	-	671
Trade payables	30,795	-	-	30,795
Security deposits received	181	-	-	181
Employee benefits payable	2,212	-	-	2,212
Other Payables	87,509	-	-	87,509
Total non-derivative liabilities	**3,34,139**	**7,37,256**	**7,47,950**	**18,19,345**

Derivatives				
Forward exchange contracts used for hedging:				
Outflow	32,869	22,472	-	55,341
Inflow	(27,872)	(19,139)	-	(47,011)
Total derivative liabilities	**4,997**	**3,333**	**-**	**8,330**

* Borrowing includes interest for future period.

(c) Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: a) Foreign exchange risk and b) Interest rate risk

(i) Foreign currency risk

The Company has long term monetary liabilities which are in currency other than its functional currency. Foreign currency risk, as defined in Ind AS 107, arises as the value of recognized monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

Rupees in lakhs

Financial liabilities	**March 31, 2024**	**March 31, 2023**
Borrowings including accrued interest	2,75,721	3,30,074
Import payables	20,204	19,128
Gross foreign currency exposure	**2,95,925**	**3,49,202**

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Covered by derivatives		
Forward contracts	(18,342)	(45,219)
Call spread/option	(12,506)	(36,998)
Net exposure to foreign currency risk	**2,65,077**	**2,66,985**

Sensitivity of foreign currency exposure

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. Also Refer 2.1(p) for accounting policy on exchange differences.

Rupees in lakhs

Impact on profit before tax / PPE	March 31, 2024	March 31, 2023
USD sensitivity		
INR/USD -Increase by 6% (March 31, 2023- 6%)*	(16,590)	(18,239)
INR/USD -Decrease by 6% (March 31, 2023- 6%)*	16,590	18,239
* Holding all other variables constant		

(ii) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Rupees in lakhs

	March 31, 2024	March 31, 2023
Variable rate borrowings	9,06,521	9,79,749

Sensitivity of Interest

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates:

Rupees in lakhs

Particulars	Impact on profit before tax	
	March 31, 2024	March 31, 2023
Interest cost – increase by 5% on existing interest cost *	(5,792)	(5,746)
Interest cost – decrease by 5% on existing interest cost *	5,792	5,746
* Holding all other variables constant		

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16) Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on basis of total equity and debt on a periodic basis. Equity comprises all components of equity. Debt includes long term borrowing including current maturity of long term borrowing and short term borrowing and interest accrued thereon. The following table summarizes the capital of the Company: (Also refer note 26B)

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Debt	10,41,359	11,48,936
Equity	8,13,586	8,31,492
Total	**18,54,945**	**19,80,428**

(b) The Company has not received any communication from lenders for non-compliance of any debt covenant.

17) Presently, the Company is engaged in only one segment viz 'Generation of Power' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Company's operations are predominantly confined in India. Operating Segment is reported in the manner evaluated by Board, considered as Chief Operating Decision Maker under Ind AS 108 "Operating Segment".

Information about major customers

Revenue for the years ended March 31, 2024 and March 31, 2023 were from customers located in India.
Customers include government controlled public electricity distribution entities as well as private distribution entities.

Rupees in lakhs

Customer name	March 31, 2024		March 31, 2023	
	Revenue	% age of total revenue	Revenue	% age of total revenue
MP Power Management Company Limited	181,821	40%	166,799	40%
Punjab State Power Corporation Limited	64,271	14%	58,988	14%
Haryana Power Purchase Centre	48,786	11%	44,273	11%

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18) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act.

Rupees in lakhs

Particulars	March 31, 2024	March 31, 2023
Principal amount remaining unpaid to suppliers as at the year end	1132	1,657
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	473	501
Payment made to suppliers (other than interest) beyond the appointed date under Section 16 of MSMED	845	1,447
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of Interest due and payable for the period of delay in making the payment, which has been paid but beyond the appointed date during the year, but without adding the interest specified under MSMED Act	66	472
Amount of Interest accrued and remaining unpaid at the end of each accounting year to suppliers	473	501
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	-	-

19) The Company lease assets primarily consists of office premises which are of short term lease with the term of twelve months or less and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an expense in the Statement of Profit and Loss on a straight line basis over the term of lease.

During the year, the Company has recognized Lease rentals in the statement of profit and loss is amounting to Rs. 380 lakhs (March 31,2023 Rs.110 lakhs)

20) The Company has no such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessment under the Income tax Act, 1961.

21) a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

b) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

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Notes to the financial statements for the year ended March 31, 2024 (Continued)

22) The Company is required to spend Rs. 295 lakhs (March 31, 2023: Rs. 229 Lakhs) towards Corporate Social Responsibility based on the profitability of the Company. Against the said amount, the Company has spent Rs. 296 lakhs (March 31, 2023: Rs. 319 Lakhs), towards promotion of education, vocational skill development and educational infrastructure during the year.

23) The Company uses the accounting software SAP for maintaining books of accounts. During the year ended March 31, 2024, The Company had not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software SAP to log any direct data changes on account of recommendation in the accounting software administration guide which states that enabling the same all the time consume storage on the disk and can impact database performance significantly. Audit Trail (edit log) is enable at the application level.

24) As per Section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.

25) During the year the company is not declared willful defaulter by any bank or financial institution or other lender.

26) **Ratios:**

Sr.No	Particulars	March 31, 2024	March 31, 2023	Variance (%)
A	Current ratio	0.34	0.46	(24.77)
B	Debt Equity ratio	1.28	1.38	(7.38)
C	Debt Service Coverage ratio	0.76	0.81	(5.23)
D	Return on Equity *	(2.19%)	0.18%	(1286.51)
E	Inventory turnover ratio	6.94	6.47	7.28
F	Trade Receivables turnover ratio	4.92	4.50	9.32
G	Trade Payables turnover ratio	NA	NA	NA
H	Net Capital turnover ratio **	(1.20)	(1.95)	(38.59)
I	Net Profit ratio ***	(3.88%)	0.36%	(1179.72)
J	Return on capital employed	7.93%	7.10%	11.61
K	Return on Investment ****	6.97%	5.40%	29.14

* Return on equity ratio has decreased due to increase in net loss of the company for the year 2023-24.

** Net Capital turnover ratio has increased due to decrease in working capital

*** Net Profit ratio has decreased due to increase in net loss of the company for the year 2023-24.

**** Return on Investment ratio has increased due to increase in return on investment.

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Sasan Power Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

Rupees in Lakhs

Particulars	March 31,2024	March 31,2023
Current assets	2,00,814	1,84,261
Current liabilities	5,83,753	4,02,972
Total Debt	10,38,609	11,45,997
Equity	8,13,586	8,31,492
Earnings before Interest and Tax and exceptional items (EBIT)	1,48,993	1,40,986
Interest on Long Term and Short Term Debt for the year	1,24,132	1,24,286
Principal Repayment of Long Term Debt for the year	1,16,474	1,08,492
Net profit after tax	-17,832	1,536
Earning available for debt service	1,83,848	1,87,674
Shareholders fund	8,13,586	8,31,492
Average Inventories	66,148	65,995
Average Trade Receivables	93,302	94,860
Average Trade Payables	27,708	28,677
Turnover (Revenue from operation)	4,59,168	4,27,037
Working capital	-3,82,939	(2,18,712)
Income generated from investment	246	179
Average investment	3,534	3,321
Capital employed	18,79,621	19,85,021
Equity	8,13,586	8,31,492
Debt	10,38,609	11,45,998
Deferred tax liabilities	27,426	7,531

Ratios have been computed as under:

Current Ratio: Current Assets/Current Liabilities

Debt Equity Ratio = Total Debt / Equity excluding Revaluation Reserve

Debt Service Coverage Ratio = Earnings available for debt service / (Interest on Long Term and Short Term Debt for the period/year + Principal Repayment of Long Term Debt for the period/ year).

Return on Equity = Net profit after tax/ Shareholder's fund

Inventory turnover ratio = Turnover / Average Inventory

Trade Receivables turnover ratio = Turnover / Average Receivables

Trade Payables turnover ratio = Net credit purchase / Average Payables

Net Capital turnover ratio = Turnover / working capital

Net Profit ratio = Net Profit after tax/ Turnover

Return on capital employed = EBIT / Capital employed

Return on Investment = Income generated from investment/average investment

27) Previous year's figures are regrouped/ reclassified wherever it was necessary to compare the current year figures.

SASAN POWER LIMITED

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Sasan Power Limited

Notes to the financial statements as of and for the year ended March 31, 2024

As per our attached report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W/ W100593

Jigar T. Shah
Partner
Membership Number: 161851

For and on behalf of the Board of Directors

Sachin Mohapatra
Chief Executive Officer and Whole Time Director
DIN: 07791421

Umesh Kumar Agrawal
Director
DIN: 02908684

Laxmi Dutt Vyas
Chief Financial Officer

Ramandeep Kaur
Company Secretary
FCS 9160

Place: Mumbai
Date: May 21, 2024

Place: Mumbai
Date: May 21, 2024