

INDEPENDENT AUDITOR'S REPORT

To the Members of
SJVN Thermal Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of SJVN Thermal Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity 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 loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

The Company doesn't have requisite number of independent/women director in the Board of the Company as required by the Companies Act, 2013. These financial statements have, thus, been reviewed and approved by the Audit Committee and the Board not constituted as per requirements of the Companies Act, 2013. Our opinion is not qualified in this matter.

Your attention is hereby drawn to Note No. 2.31 (c) relating to sharing of cost of defined benefit plans of employees amongst group companies/entities by adjusting opening provision in proportion to that of the closing provision in relation to the total for the group. This adjustment presumes homogeneous population and normal distribution of employee data over the group, which hasn't been tested or established. Further, actual encashment of such benefits by employees have also been allocated over group companies, which hasn't been tested and validated. Moreover, these encashment too have an impact on the aforesaid opening balance adjustment which hasn't been considered by the company. Since these costs are presently having an impact on Capital Work-in-progress only and considering the assurance of management that this concern of ours shall be addressed next year, our opinion is not qualified.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Recognition of Capital Work-in-progress, Capitalization and respective Payables</p> <p>The Company has only one location where the project is under construction. The work for the project has been divided into various parts and has been awarded to different agencies (vendors). During the construction phase, different bills are received from vendors which need to be recognized in keeping with the fact whether the same relates to incremental work not resulting in creation of separate asset eligible to be recognized as such or otherwise. Also, deductions on various accounts as prescribed under tender documents need to be accounted for and recognized properly.</p>	<p>Principal Audit Procedures Performed</p> <p>Our audit procedures were related to</p> <ul style="list-style-type: none"> - identification of distinct contracts and its parts, - determination of whether the work performed is resulting in creation of an assets eligible to be recognized as such or is incremental in nature and the asset is yet to come into existence and put to use, - whether deductions from vendors were made properly and were accounted for in appropriate heads, and - Assumptions, methods, processes and calculations involved in management estimates <p>We tested the effectiveness of controls relating to the</p> <ul style="list-style-type: none"> - Identification of distinct performance obligations of the vendors, - Determination of whether the Company is properly verifying the performance prior to certification of work performed, - Determination of amounts liable for deduction prior to release of payments, and - Determination and recognition of other liabilities or contingent liabilities arising during performance or under the circumstances and events or as provided under the contract or as may be warranted. <p>We selected a sample of contracts with vendors and performed the following procedures:</p> <ul style="list-style-type: none"> - Obtained and read delegation of power and Standard Operating Procedures and apprised ourselves with the same. - Obtained and read contract documents for each selection, and other documents that were part of the agreement. - Identified significant terms and deliverables in the contract and payment schedule and their timing. <p>Besides, we tested the propriety, accuracy and fairness of methods, assumptions, processes and calculations involved in management estimates.</p>
2	<p>Selection of accounting policies adopted by the company, adherence to the disclosed accounting policies and sufficiency and appropriateness of</p>	<p>Principal Audit Procedures Performed</p> <p>Our audit procedures were related to</p> <ol style="list-style-type: none"> a) Identification of applicable Indian Accounting



	<p>disclosures with regard thereto</p> <p>The company is required to select accounting policies with respect to applicable Indian Accounting Standards considering its transactions and is required to adhere to the same. There may be additional requirements for disclosures which need to be sufficient and appropriate.</p>	<p>Standard with respect to its transactions,</p> <p>b) Testing the disclosed accounting policies for appropriateness in accordance with applicable standards, and</p> <p>c) Testing the presentation of financial statements in accordance with the accounting policies and sufficiency and appropriateness of disclosures for the benefit of users of financial statements</p> <p>We apprised ourselves with the application of the accounting policies, tested the sufficiency and appropriateness of disclosures with regard thereto, and performed a review of divergence noticed and rectifications required with regard thereto.</p>
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Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board’s Report including Annexures to Board’s Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the standalone financial statements and our auditors’ report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibility of Management for Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statement 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

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

We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure 2" on the directions issued by the Comptroller and Auditor General of India.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) In view of the exemption vide Notification No. G.S.R. 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, the provisions of Section 164 (2) of the Companies Act regarding disqualification of directors are not applicable to the Company, being a government company. Accordingly, reporting is also not required.
- (f) In view of the exemption vide Notification No. G.S.R. 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, the provisions of Section 197 of the Companies Act is not applicable to the Company, being a government company. Accordingly, reporting is also not required.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 3".
- (h) (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.29(d) to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term

contracts including derivative contracts – Refer Note 2.29(c) to the financial statements;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv.
 - a. The Management has represented that, to the best of its knowledge and belief, unless disclosed in the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) 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 entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
 - c. Based on the audit procedures that have 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v.
 - a. The Management has represented, to the best of its knowledge and belief, that the Company has used accounting software for maintaining its books of accounts which has a feature of recording an:
 - i. Audit Trail of each and every transaction,
 - ii. Creating an edit log of each change made in books of account along with the date when such changes were made, and
 - iii. Ensuring that the audit trail cannot be disabled.
 - b. The Management has represented, to the best of its knowledge and belief, that:
 - i. the audit trail facility in the accounting software was operating effectively during the year;
 - ii. the audit trail feature has not been tempered with; and
 - iii. the audit trail has been preserved by the company as per the statutory requirements for record retention.
 - c. Based on the audit procedures that have been considered reasonable

and appropriate in the circumstances in compliance with Clause (g) of Rule 11 of Companies (Audit and Auditors) Rules, 2014 read with sub-section 3 of Section 143 of the Companies Act, 2013, nothing has come to our notice that has caused us to believe that the representations under Proviso to Rule 3 (1) of Companies (Accounts) Rules, 2014 and others, contain any material misstatement. Accordingly we report that the company, has used such accounting software for maintaining its books of accounts:

- i. which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software;
- ii. the audit trail feature has not been tampered with; and
- iii. the audit trail has been preserved by the company as per the statutory requirements for record retention.

Place of Signature:
Date: 17th May 2024

For S K Jha & Associates
Chartered Accountants
(Firm's Registration No.-006189C)



Ratendra Kumar
Partner
Membership No. 075813



ANNEXURE-1 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE:

Report on matters covered under Companies (Auditor's Report) Order, 2020, as referred to under "Report on Other Legal and Regulatory Requirements" paragraph of our report of even date on standalone financial statements of SJVN Thermal Private Limited for the year ended on 31st March, 2024

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (B) The Company has generally maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) We have relied on the physical verification of title deeds conducted during the physical verification this year and have also obtained a status report on the issues concerning land. Accordingly, we report that the title deeds of 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) The Company has not revalued any of its property, plant and equipment (including right[1]of use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

- (iii) The company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties
- (a) In view of above comment in point no. (iii), reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In view of above comment in point no. (iii), reporting under clause 3(iii)(b) of the Order is not applicable.
- (c) In view of above comment in point no. (iii), reporting under clause 3(iii)(c) of the Order is not applicable.
- (d) In view of above comment in point no. (iii), reporting under clause 3(iii)(d) of the Order is not applicable.
- (e) In view of above comment in point no. (iii), reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) In view of above comment in point no. (iii), reporting under clause 3(iii)(f) of the Order is not applicable.
- (iv) Company has neither given any loans to director nor made any investment hence provisions of Section 185 and 186 are not applicable for the Company.
- (v) The Company has not accepted deposits or amounts which are deemed to be deposits. As such, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company.
- (vi) The company is yet to commence its commercial activities and is still in project stage. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) There is no statutory dues referred to in sub-clause (a), which has not been deposited on account of any dispute. Hence, reporting under clause (vii)(b) of the Order is not applicable to the Company.



- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence, reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence, reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (b) The company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) The company's term loans were applied for the purpose for which the loans were obtained. Hence, reporting under clause (ix)(c) of the Order is not applicable to the Company.
- (d) The company has not raised funds on short term basis. Hence, reporting under clause (ix)(d) of the Order is not applicable to the Company.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, reporting under clause (ix)(e) of the Order is not applicable to the Company.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting under clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause (x)(a) of the Order is not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) Any fraud by the company or any fraud on the company has not been noticed or reported during the year. Hence, reporting under clause (xi)(a) of the Order is not applicable to the Company.
- (b) In view of above comment in point no. (xi) (a) this clause is not applicable.
- (c) No whistle-blower complaint has been received during the year by the company. Hence, question of consideration or otherwise of the same doesn't arise.
- (xii) (a) The Company is not a Nidhi Company. Hence, reporting under clause (xii)(a) of the Order is not applicable to the Company.

- (b) The Company is not a Nidhi Company. Hence, reporting under clause (xii)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Nidhi Company. Hence, reporting under clause (xii)(c) of the Order is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by the Statutory Auditor.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him. Hence, reporting under clause (xv) of the Order is not applicable to the Company.
- (xvi) (a) The company is not being required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause (xvi)(c) of the Order is not applicable to the Company.
- (d) In view of the above comment in point no. (xvi) (c) this clause is not applicable.
- (xvii) The company has incurred cash losses in the financial year amounting to Rs. 91 Lakhs and in the immediately preceding financial year amounting to Rs. 116 Lakhs.
- (xviii) There has not been any resignation of the statutory auditors during the year. Hence, reporting under clause (xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit

report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on ongoing projects requiring a transfer to a special account in compliance with provisions of sub-section (6) of Section 135 of the said Act.

Place of Signature:
Date: 17th May 2024

For S K Jha & Associates
Chartered Accountants
(Firm's Registration No.-006189C)

Ratendra Kumar
Partner
Membership No. 075813



ANNEXURE-2 TO THE INDEPENDENT AUDITORS' REPORT

Report on matters covered by directions of C&AG, to the extent applicable, as referred to under "Report on Other Legal and Regulatory Requirements" paragraph of our report of even date on standalone financial statements of SJVN Thermal Private Limited for the year ended on 31st March, 2024

<u>Sl. No.</u>	<u>Directions</u>	<u>Auditor's Report</u>
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated	To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that the Company has a system in place to process all the accounting transactions through IT system and for this purpose SAP-ERP has been implemented by the Company. Based on the output from this system, the financial statements are prepared in presentable format in offline mode. No instance of any processing of accounting transaction outside the said IT system has come to our notice having financial implications.
2	Whether there is any restructuring of an existing loan or cases of waiver/ write-off of debts/ loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, there is no restructuring of any existing loan or cases of waiver/ write-off of debts/ loans/ interest etc. made by a lender to the Company.
3	Whether funds received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, there was no case of funds received/ receivable for specific schemes from Central/ State agencies.

Place of Signature:
Date: 17th May 2024



For S K Jha & Associates
Chartered Accountants
(Firm's Registration No.-006189C)

Ratendra Kumar
Partner
Membership No. 075813

**ANNEXURE-3 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF SJVN THERMAL PRIVATE LIMITED FOR THE
YEAR ENDED ON 31ST MARCH 2024:**

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

We have audited the internal financial controls over financial reporting of SJVN Thermal Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected

depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 qualified audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on our audit, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the

S K Jha & Associates
Chartered Accountants

2E, Shambhunath Plaza
New Dak Bungalow Road
Patna – 800001
Tel- 9431016174
Email: ratendra@yahoo.com

essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place of Signature:
Date: 17th May 2024



For S K Jha & Associates
Chartered Accountants
(Firm's Registration No.-006189C)

Ratendra Kumar
Partner
Membership No. 075813



SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

BALANCE SHEET AS AT MARCH 31, 2024

(₹ Lakh)

	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non - current assets			
Property, plant and equipment	2.1	46,031	44,609
Capital work-in-progress	2.2	8,56,169	6,76,631
Intangible Assets	2.3	-	38
Financial Assets			
Other financial assets	2.4	510	513
Other non-current assets	2.5	11,522	14,819
Total non- current assets		<u>9,14,232</u>	<u>7,36,610</u>
Current assets			
Financial assets			
Cash and cash equivalents	2.6	3,057	9,005
Bank balance other than cash and cash equivalents	2.7	3,130	2,933
Loans	2.8	-	4
Other financial assets	2.9	104	26
Other current assets	2.10	2,312	25
Total current assets		<u>8,603</u>	<u>11,993</u>
TOTAL ASSETS		<u>9,22,835</u>	<u>7,48,603</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.11	2,51,168	2,51,168
Share application money		-	-
Other Equity	2.12	(245)	(155)
Total Equity		<u>2,50,923</u>	<u>2,51,013</u>
INTERUNIT ACCOUNT			
		-	-
Liabilities			
Non- current liabilities			
Financial liabilities			
Borrowings	2.13	5,66,022	3,90,652
Lease liabilities	2.14	3	50
Other financial liabilities	2.15	18,500	-
Provisions	2.16	5,032	6,100
Other non- current liabilities		-	-
Total non-current liabilities		<u>5,89,557</u>	<u>3,96,802</u>
Current liabilities			
Financial liabilities			
Borrowings		-	-
Lease liabilities	2.17	148	124
Trade payables		-	-
Total outstanding dues of micro and small enterprises	2.18	20	-
Total outstanding dues of creditors other than micro and small enterprises		-	-
Other financial liabilities	2.19	79,367	99,515
Other current liabilities	2.20	61	474
Provisions	2.21	2,759	675
Total current liabilities		<u>82,355</u>	<u>1,00,788</u>





SJVN Thermal Private Limited
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CIN: U31908BR2007PTC017646

TOTAL EQUITY AND LIABILITIES

9,22,835


7,48,603

The accompanying notes from 2.1 to 2.60 form an integral part of the financial statements.

For and on behalf of the Board of Directors


Raman Kant Sharma
Company Secretary
ACS-A29662
Place : New Delhi



(Vivek Bhatnagar)
CFO
Place : New Delhi


(Sanjay Kumar Singh)
CEO
Place : New Delhi


(Akhileshwar Singh)
Director
DIN:08627576
Place: New Delhi


(Sushil Sharma)
Chairman
DIN:08776440
Place: New Delhi

This is the Balance Sheet referred to in our report of even date
For **S K Jha & Associates**
Chartered Accountants
FRN-006189C


(Ratendra Kumar)
Partner
M.No. 075813

Place: New Delhi
Date : May 17, 2024





SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(₹ Lakh)

	Note No.	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Income			
Revenue from Operations		-	-
Other Income	2.22	-	5
Total		-	5
Total Income		-	5
Expenses			
Employee Benefits Expense	2.23	36	34
Finance Costs		-	-
Depreciation and Amortization Expense	2.24	-	-
Other Expenses	2.25	55	87
Total		91	121
Less: Allocation of Corporate Expenses to Projects		-	-
Total Expenses		91	121
Profit/ (Loss) before exceptional items and tax		(91)	(116)
Exceptional Items	2.26	-	-
Profit before net movement in regulatory deferral account balance and tax		(91)	(116)
Tax Expenses:			
Profit before regulatory deferral account balances		(91)	(116)
Net movement in regulatory deferral account balances (net of tax)	2.27	-	-
Profit for the year		(91)	(116)
Other comprehensive income		-	-
Total		-	-
Total Comprehensive Income for the period		(91)	(116)

The accompanying notes from 2.1 to 2.60 form an integral part of the financial statements.

For and on behalf of the Board of Directors


 (Raman Kant Sharma)
 Company Secretary
 ACS-A29662
 Place: New Delhi


 (Vivek Bhatnagar)
 CFO
 Place: New Delhi



 (Sanjay Kumar Singh)
 CEO
 Place: New Delhi


 (Akhileshwar Singh)
 Director
 DIN:08627576
 Place: New Delhi


 (Sushil Sharma)
 Chairman
 DIN:08776440
 Place: New Delhi

This is the Balance Sheet referred to in our report of even date

For S K Jha & Associates
 Chartered Accountants
 FRN-006189C


 (Ratendra Kumar)
 Partner
 M.No. 075813



Place: New Delhi
 Date : May 17, 2024



SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)
CIN: U31908BR2007PTC017646

STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2024

(₹ Lakh)

	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Cash flow from operating activities		
Profit before net movement in regulatory deferral account balance and tax	(91)	(116)
Profit before tax including movement in regulatory deferral account balances	(91)	(116)
Adjustment for:		
Finance cost	-	1
		1
Adjustment for assets and liabilities		
Loans, other financial assets and other assets		(110)
Trade payable		
Other financial liabilities and other liabilities		
Provisions		(110)
		(110)
Cash generated from operating activities	(91)	(225)
Net cash generated by operating activities	(91)	(225)
Cash flow from investing activities:		
Net expenditure on Property, Plant & Equipment and CWIP including advances for capital works	(138199)	(239920)
Term deposits with bank (having maturity more than three months)	(197)	(2933)
Net cash used in investing activities	(138396)	(242853)
Cash flow from financing activities:		
Repayment of borrowings	-	(290408)
Proceed from borrowings	175370	563239
Payment of lease liabilities	(257)	148
Interest and finance charges	(42574)	(21786)
Cash used in financing activities	132539	251193
Net increase in cash and cash equivalents	(5948)	8115
Opening balance of cash & cash equivalents	9005	890
Closing balance of cash & cash equivalents	3057	9005
Restricted cash balance		
Earmarked Balance (Unpaid Dividend)	-	-
Margin Money for BG/ Letter of Credit and Pledged deposits	3130	2933
Total	3130	2933

The accompanying notes form an integral part of the financial statements.

1. Cash and Cash equivalents consist of Cash in hand, cheques/drafts in hand, Bank Balances including Short Term Deposits having original maturity upto three months and bank overdraft.

2. Reconciliation of Cash and Cash Equivalents:

Cash and Cash equivalents as per note 2.6	3057	9005
Bank overdraft as per note 0	-	-
Cash & Cash Equivalents as per statement of cash flows	3057	9005

For and on behalf of the Board of Directors


Raman Kant Sharma
Company Secretary
ACS-A29662


(Vivek Bhatnagar)
CFO
Place : New Delhi


(Sanjay Kumar Singh)
CEO
Place : New Delhi


(Akhileshwar Singh)
Director (Finance)
DIN:08627576
Place : New Delhi


(Sushil Sharma)
Chairman
DIN:08776440
Place : New Delhi

This is the Balance Sheet referred to in our report of even date

For S K Jha & Associates
Chartered Accountants
FRN-006189C


(Ratendra Kumar)
Partner
M.No. 075813

Place: New Delhi
Date : May 17, 2024





SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital

For the Year Ended March 31, 2024

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2023	251168
Changes in Equity Share Capital due to prior period errors	-
Restated Balance as at April 1, 2023	251168
Changes in equity share capital during the year	-
Closing Balance as at March 31, 2024	251168

For the Year Ended March 31, 2023

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2022	251168
Changes in Equity Share Capital due to prior period errors	-
Restated Balance as at April 1, 2022	251168
Changes in equity share capital during the year	-
Closing Balance as at March 31, 2023	251168

B. Other Equity

For the Year Ended March 31, 2024

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2023	-	-	(154)	(154)
Profit for the Period	-	-	(91)	(91)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	(91)	(91)
Closing Balance as at March 31, 2024	-	-	(245)	(245)

For the Year Ended March 31, 2023

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2022	-	-	(38)	(38)
Profit for the Period	-	-	(116)	(116)
Closing Balance as at March 31, 2023	-	-	(154)	(154)

For and on behalf of the Board of Directors


Raman Kant Sharma
 Company Secretary
 ACS-A29662
 Place: New Delhi


Vivek Bhatnagar
 CFO
 Place: New Delhi



Sanjay Kumar Singh
 CEO
 Place: New Delhi


(Akhileshwar Singh)
 Director
 DIN:08627576
 Place: New Delhi


(Sushil Sharma)
 Chairman
 DIN:08776440
 Place: New Delhi

For S K Jha & Associates

Chartered Accountants
FRN-006189C


(Ratendra Kumar)
 Partner
 M.No. 075813



Place: New Delhi
Date : May 17, 2024

I. Company Information and Significant Accounting Policies

A. Reporting Entity

- B. SJVN Thermal Private Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: U31908BR2007PTC017646. The address of the company's registered office is 169, Patliputra Colony, Patna, Bihar. The company is in construction stage of implementing coal based thermal power plant at Chausa, District. Buxar (Bihar).

C. Significant Accounting Policies

1.1 Basis of Preparation:

These standalone financial statements are prepared on going concern basis following accrual system of accounting and in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and the provisions of the Electricity Act, 2003 to the extent applicable.

Use of estimates and management judgments:

The preparation of the financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of Assets, Liabilities, Income, Expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgements are based on previous experience and other factor considered reasonable and prudent in the circumstances. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

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

a) Useful life of Property, Plant & Equipment and intangible assets:

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

Useful life of the asset used for generation of electricity is determined by the Central Electricity Regulatory Commission (CERC) tariff regulations as mentioned in Part-B of schedule-II of the Companies act 2013 except for computer & peripherals, mobile phones and Furnitures provided to the employees which are as per management assessment.

b) Recoverable amount of property, plant and equipment and intangible assets:

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding, in particular, the expected market outlook and future cash flows associated with the power plants, any changes in these assumptions may have a



material impact on the measurement of the recoverable amount and could result in impairment.

c) Post-employment benefits plan:

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

d) Revenue:

The company recognizes revenue from sale of power based on tariff approved by the CERC. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC tariff regulations.

e) Regulatory deferral account balances:

Recognition of regulatory deferral account balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

f) Investment in Subsidiaries and Joint Ventures:

Investment has been carried at cost and as per assessment by the Company, there is no indication of impairment on such investments. Any changes in assumption may have a material impact on the measurement of the recoverable amount.

g) Provisions and contingencies:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has been made on the basis of best judgment by management regarding probable outflow of economic resources. Such estimation can change on occurrence of unforeseeable developments.

1.2 Basis of Measurement:

These financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- financial assets and liabilities except certain Investments and borrowings carried at amortized cost,
- assets held for sale – measured at fair value less cost of disposal,
- defined benefit plans – plan assets measured at fair value,
- Right of Use Assets – measured at fair value.

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. Normally at initial recognition, the transaction price is the best evidence of fair value. However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

These financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakh, except as stated otherwise.



1.3 Property, plant and equipment (PPE)

- a) The Company has opted to utilize the option under Ind AS 101 which permits to continue to use the Indian GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment according to the Indian GAAP as at April 1, 2015 i.e. Company's date of transition to Ind AS, were maintained in transition to Ind AS.
- b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- c) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. Where final settlement of bills with contractors is pending/under dispute, capitalization is done on estimated/provisional basis subject to necessary adjustment in the year of final settlement.
- d) After initial recognition, Property, Plant & Equipment is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.
- e) Deposits, Payments/ liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.
- f) Asset created on land not belonging to the company where the company is having control over the use and access of such asset are included under Property, Plant and Equipment.
- g) Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised when no future economic benefits are expected from its use or upon disposal. The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred. Other spares are treated as "stores & spares" forming part of the inventory and expensed when used/ consumed.
- h) Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the company and the cost of the item can be measured reliably.
- i) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life of the power station resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset.
- j) Property, plant and equipment is derecognized when no future economic benefits are expected from its use or upon its disposal. Gains and losses on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

1.4 Capital Work-in-progress

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work-in-progress (CWIP). Such cost comprises of purchase price of asset including other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.
- b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, depreciation on assets used in construction of projects, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets.



- c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential for construction of the project is carried under "Capital Work-in-progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.
- d) Expenditure on Survey and Investigation of the Project is carried as capital work in progress and capitalized as cost of Project on completion of construction of the Project or the same is expensed in the year in which it is decided to abandon such project.
- e) Expenditure against "Deposit Works" is accounted for on the basis of statement of account received from the concerned agency and acceptance by the company. However, provision is made wherever considered necessary.
- f) Claims for price variation/ exchange rate variation in case of contracts are accounted for on acceptance.

1.5 Non -Current Assets Held for Sale

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

Assets and disposal group identified/ approved for sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortized.

1.6 Investment Property

- a) Land or a building or part of building or both held by company to earn rentals or for capital appreciation or both is classified as Investment property other than for:
 - i. Use in the production or supply of goods or services or for administrative purpose; or
 - ii. Sale in the ordinary course of business.
- b) Investment property is recognised as an asset when, and only when:
 - i. It is probable that the future economic benefits that are associated with the investment property will flow to the entity; and
 - ii. The cost of the investment property can be measured reliably.
- c) Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.
- d) Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.
- e) Transfers to or from investment property is made when and only when there is a change in use.

1.7 Intangible Assets and intangible assets under development



- a) Intangible assets are identifiable non-monetary asset without physical substance. Intangible assets are recognised if:
 - i. It is probable that the expected future economic benefit that are attributable to the asset will flow to the entity; and
 - ii. the cost of the asset can be measured reliably
- b) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- c) Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.
- d) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.
- e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- f) Expenditure on development activities is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to & has sufficient resources to complete development and to use or sell the asset.
- g) Expenditure incurred which are eligible for capitalisation under intangible assets are carried as intangible assets under development till they are ready for their intended use.

1.8 Regulatory deferral accounts

- a) Expenses/ income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances' as per Ind AS-114.
- b) Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- c) Regulatory deferral account balances are evaluated at each balance sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the regulatory deferral account balances are derecognised.

1.9 Impairment of non-financial assets

- a) The carrying amounts of the Company's non-financial assets primarily include property, plant and equipment, which are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.
- b) In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.
- c) Impairment losses recognized in earlier period are assessed at each reporting date for any indication that loss has decreased or no longer exists. An impairment loss is reversed if there



has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

1.10 Inventories

- a) Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipment.
- b) Inventories and Certified Emission Reduction (CERs-Carbon Credit) are valued at the lower of cost and net realizable value.
- c) Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- d) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- e) Net realizable value of obsolete, unserviceable and surplus stores & spares is ascertained at the end of financial year and provided for, wherever required. Scrap is accounted for as and when sold.

1.11 Foreign Currency Transactions:

a) Functional and presentation currency:

These financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

b) Transactions and balances

- i. Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction.
- ii. Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of fixed assets entered up to March 31, 2016 are adjusted to carrying cost of fixed assets.
- iii. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The Company has elected to avail the exemption available under IND AS 101, with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities.

1.12 Financial instruments – initial recognition, subsequent measurement and impairment

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

a) Financial Assets

A financial asset includes inter-alia any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial assets or to exchange financial asset or financial liability under condition that are potentially favourable to the Company. A financial asset is recognized when and only when the Company becomes party to the contractual provisions of the instrument. Financial assets of the Company comprise cash and cash equivalents, Bank Balances, Advances to employees/ contractors, security deposit, claims recoverable etc.

Initial recognition and measurement:



- i. All financial assets except trade receivables are recognised initially at fair value plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.
- ii. The company measures the trade receivables at their transaction price if the trade receivables do not contain a significant financing component. A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

Subsequent measurement:

- i. Financial Assets are measured at amortized cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.
- ii. After initial measurement, financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss.
- iii. Financial assets at fair value through other comprehensive income are measured at each reporting date at fair value. Fair value changes are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.
- iv. Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Impairment of financial assets:

- i. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.
- ii. In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss and follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract assets resulting from transactions within the scope of Ind-AS 115.
- iii. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- iv. For recognition of impairment loss on other financial assets, the company assesses whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, ECL is provided. For assessing increase in credit risk and impairment loss, the company assesses the credit risk characteristics on instrument-by-instrument basis.
- v. Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the statement of profit and loss.

Derecognition:

A financial asset is derecognised when all the cash flows associated with the financial asset has been realised or such rights have expired.

b) Financial liabilities



Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company. The Company's financial liabilities include loans & borrowings, trade and other payables etc.

Classification, initial recognition and measurement:

- a) Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.
- b) 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.

Subsequent measurement:

- a) After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset, when the liabilities are derecognised as well as through the EIR amortisation process.
- b) Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

c) Offsetting of financial instruments

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

1.13 Investment in Subsidiaries

- a) A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.
- b) Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost. On transition to IND AS, the Company has adopted optional exemption—under IND AS 101 to value investments in subsidiaries at cost less impairment, if any.

1.14 Investment in joint ventures and associates:

- a) A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.
- b) An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.



- c) The investment in joint ventures and associates are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost less impairment, if any.

1.15 Leases

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019).

Lease is a contract that conveys the right to control the use of identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves use of an identified assets, (ii) the customer has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the customer has the right to direct the use of the asset.

i) As a lessee

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

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

The right-to-use assets are initially recognized at cost, which comprises the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of lease along with the initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-to-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of lease liability. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in accounting policy 1.9 on "Impairment of non-financial assets".

The lease liability is initially measured at present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 1.17 on "Borrowing Cost".

Lease liability and ROU assets have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

ii) As a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.



1.16 Government Grants

- a) Government grants with a condition to purchase, construct or otherwise acquire long-term assets are initially measured based on grant receivable under the scheme. Such grants are recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset. Amount of benefits receivable in excess of grant income accrued based on usage of the assets is accounted as Government grant received in advance. Changes in estimates are recognised prospectively over the remaining life of the assets.
- b) Government revenue grants relating to costs are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.
- c) Non-monetary government grants are recorded at a nominal amount.

1.17 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes interest expense on lease liabilities recognized in accordance with Ind AS 116– ‘Leases’ and exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction/erection or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. All other borrowing costs are expensed in the period in which they occur.

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

1.18 Provisions, Contingent Liabilities and Contingent Assets

- a) A provision is recognised when:
 - i. the Company has present legal or constructive obligation as result of past event;
 - ii. it is probable that an outflow of economic benefits will be required to settle the obligation; and
 - iii. a reliable estimate can be made of the amount of the obligation.
- b) If the effect of the time value of money is material, provision are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.
- c) The amount recognised as provision is the best estimate of consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.
- d) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- e) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of



judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

- f) Liability for claims against the Company is recognized on acceptance by the Company/ receipt of award from the Arbitrator and the balance claim, if disputed/ contested by the contractor is shown as contingent liability. The claims prior to arbitration award stage are disclosed as contingent liability.
- g) Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

1.19 Revenue Recognition and Other Income

Company's revenues arise from sale of energy, consultancy services and other income. Other income comprises interest from banks, employees, contractors etc., dividend from investments in joint venture companies, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

- a) Revenue from operations of the company mainly consists from plants regulated under the Electricity Act, 2003. Accordingly, the Central Electricity Regulatory Commission (CERC) determines the tariff on the norms prescribed in the tariff regulations as applicable from time to time. Revenue from sale of energy is accounted for as per tariff notified by CERC. In case of power stations where the tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. Further, recovery/refund towards foreign currency variation in respect of foreign currency loans is accounted for on year to year basis. Revenue from sale of energy is recognized once the electricity has been transmitted to customers and control over the product is transferred to the customers. As at each reporting date, revenue from operations includes an accrual for energy sales transmitted to customers but not yet billed (unbilled Revenue).
- b) Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries
- c) Rebate to customers as early payment incentive is deducted from the amount of revenue from energy sales.
- d) Incentives/disincentives are accounted for based on the norms notified/approved by the Central Electricity Regulatory Commission.
- e) Recovery/ refund towards foreign currency variation in respect of foreign currency loans are recognised on year to year basis based on regulatory norms.
- f) Advance Against Depreciation (AAD) considered as deferred income in earlier years is included in sales on straight line basis over the balance useful life after 31st March of the year closing after a period of 12 years from the date of commercial operation of the Hydro Power Station, considering the total useful life of the Hydro Power Station as 40 years.
- g) Revenue from consultancy services rendered is recognised in the statement of profit and loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to actual progress/ technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy contracts.
- h) Interest/Surcharge on late payment/ overdue sundry debtors for sale of energy are recognised when no significant uncertainty as to measurability or collectability exists.
- i) Dividend income is recognized when the company's right to receive payment is established.
- j) Interest/surcharge/liquidated damages recoverable from suppliers and contractors, wherever there is uncertainty of realisation/acceptance are accounted for on receipts/acceptance.



- k) Interest income on financial assets as subsequently measured at amortized cost is recognised on a time-proportion basis using the effective interest method. Interest income on impaired loans/receivable is recognised using the original effective interest rate.
- l) Income arising from sale of CERs-carbon credit is recognized on transfer/ sale of carbon credits i.e. when there is certainty regarding ultimate collection.
- m) Compensation from third parties including from insurance are accounted for on certainty of realization.

1.20 Employee Benefits

Employee benefits consist of wages, salaries, benefits in kind, provident fund, pension, gratuity, post-retirement medical facilities, leave benefits and other terminal benefits etc.

a) Defined Contribution Plans

- i) A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trust and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the periods during which services are rendered by employees.
- ii) The company also has Defined Contribution Pension Scheme for providing pension benefit. The obligation of the company is to contribute the extent of amount not exceeding 30% of basic pay and dearness allowance less employer contribution/liability towards provident fund, gratuity, post-retirement medical facility (PRMF). The liability for the same is recognized on accrual basis. The scheme is funded by company and managed by separate trust created for this purpose.

b) Defined Benefit Plans

- i. A defined benefit plan is a post-employment plan other than a defined contribution plan.
- ii. The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI.
- iii. The gratuity scheme is funded by the company and is managed by a separate trust. Company's liability is determined by the qualified actuary using the projected unit credit method at the year-end and any shortfall in the fund size maintained by the trust is additionally provided for by the company.
- iv. The company has a Post Retirement Medical Facility (PRMF), under which retired employees, spouse and eligible parents of retired employee are provided medical facilities in the company hospitals/ empanelled hospitals/ other hospitals. They can also avail treatment as Out- patient subject to rules and regulations made by the Company.
- v. The company also has other benefit plans allowance on retirement/ death and memento on superannuation.
- vi. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.
- vii. Service cost & net interest on the net defined benefit liability (asset) are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.



viii. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

c) Other Long-term employee benefits

Benefits under the Company's leave encashment scheme constitute other long term employee benefits.

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. Actuarial gains or losses are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.

Benefits under the Company's leave encashment, long-service award and economic rehabilitation scheme constitute other long term employee benefits.

The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Any actuarial gains or losses are recognized in statement of profit and loss account in the period in which they arise.

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.

d) Short-term Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed in the period in which the service is provided.

e) Terminal Benefits

Expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes, if any, are charged to the profit and loss in the year of incurrence of such expenses.

1.21 Depreciation and amortization

- a) Depreciation on Property, Plant & Equipment of Operating Units of the Company is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff in accordance with Schedule-II of the companies act 2013 except for assets specified in policy no. 1.21(c) below.



- b) Depreciation on Property, Plant & Equipment of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in policy no. 1.21(c) below.
- c) Depreciation on the following items of Property, Plant and Equipment is charged on straight line method on estimated useful life:
 - i. Computer & Peripherals depreciated fully (100%) in 3 years.
 - ii. Mobile Phones depreciated fully (100%) in 2 years.
 - iii. Furniture & Fixture, Office Equipment and Electrical Equipment are depreciated in 5-15 years with residual value of 10%.
 - iv. Solar and Wind Power plants which not governed by CERC regulation are depreciated in 25 years with residual value of 10%.

The useful life of these assets are reviewed at each financial year end and adjusted prospectively, wherever required.

- d) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the month on which the asset is available for use / disposed.
- e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization.
- f) Assets costing upto ` 5000/- are fully depreciated in the year of acquisition.
- g) Expenditure on software recognized as 'Intangible Asset' and is amortized fully on straight line method over a period of legal right to use or three years, whichever is less. Other intangible assets with a finite useful life are amortized on a systematic basis over its useful life. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year end.
- h) Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

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

Other Right of use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

- i) Tangible Assets created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date such asset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.
- j) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such asset determined following the applicable accounting policies relating to depreciation/ amortization.
- k) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.
- l) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by the CERC.
- m) Expenditure on Catchment Area Treatment (CAT) Plan during construction is capitalized along with dam/civil works. Such expenditure during O&M stage is charged to revenue in the year of incurrence of such expenditure.



1.22 Income Taxes

Income tax expense comprises current tax and deferred tax. Current Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax is also recognised directly in equity or in other comprehensive income.

a) Current income tax

Current tax is expected tax payable on taxable profit for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustments to tax payable in respect of previous years.

b) Deferred tax

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

Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

1.23 Dividend Distribution:

Final Dividends and interim dividends payable to Company's shareholders are recognized and accounted for in the period in which they are approved by the shareholders and the Board of Directors respectively.

1.24 Segment Reporting:

- a) Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Management.
- b) Electricity generation is the principal business activity of the company. Other operations viz., Consultancy works etc. do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.
- c) The company is having a single geographical segment as all its Power Stations are located within the Country.

1.25 Statement of Cash Flows



- a) Cash and cash equivalents includes cash/Drafts/Cheques on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, bank overdrafts are shown within "Borrowings" under current liabilities.
- b) Statement of cash flows is prepared in accordance with the indirect method (whereby profit or loss is adjusted for effects of non-cash transactions) prescribed in Ind AS-7 "Statement of Cash Flows"

1.26 Material prior period errors

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

1.27 Earnings per share

- a) Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.
- b) Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.
- c) Basic and diluted earnings per equity share are also presented using the earnings amounts excluding the movements in regulatory deferral account balances.

1.28 Current versus non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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



1.29 Miscellaneous

Minimum two percent of average profit (before tax) of three immediately preceding financial years is transferred to CSR Trust for incurring expenditure towards Corporate Social Responsibility (CSR).





SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)
CIN: U31908BR2007PTC017646

2.1 Property, Plant & Equipment
As at March 31, 2024

Sl.No.	Particulars	Gross Block			Depreciation			Net Block		
		As at April 1, 2023	Additions during the year	Deductions/ Adjustments	As at March 31, 2024	As at April 1, 2023	For the year	Deduction	As at March 31, 2024	As at March 31, 2023
1	Land									
	Freehold (including development expenses)	39979	1,397	(0)	41376	-	-	-	41376	39979
	Right of use	82	0	0	82	25	25	50	32	57
2	Buildings									
	Freehold	3221	454	0	3675	504	96	(363)	2712	2717
	Right of use	92	79	-	171	54	61	115	56	38
3	Roads and Bridges									
	Plant and Machinery	6	58	0	58	-	2	(5)	7	51
4	Generating Plant and Machinery									
	Hydraulic Works(Dams, Tunnel, etc.)	421	-	-	421	1	-	1	5	5
5	Vehicles									
	Owned	29	100	0	129	368	(26)	342	-	53
	Right of use	158	137	0	295	14	3	17	111	15
8	Furniture, Fixture and Equipments	665	24	6	683	86	128	214	81	72
9	Electrical Works	1020	1	-	1021	67	45	112	571	598
10	Electrical Equipments	164	6	6	164	203	54	257	764	817
11	Office Equipments	100	24	8	116	44	10	54	110	120
12	Data processing Equipments	153	65	20	198	22	12	2	32	78
	Total	45090	2,345	461	47874	1481	454	(7)	46031	44609

As at March 31, 2023

Sl.No.	Particulars	Gross Block			Depreciation			Net Block		
		As at April 1, 2022	Additions during the year	Deductions/ Adjustments	As at March 31, 2023	As at April 1, 2022	For the year	Deduction	As at March 31, 2023	As at March 31, 2022
1	Land									
	Freehold (including development expenses) (ref)	38930	1,049	-	39979	-	-	-	-	39979
	Right of use	-	82	-	82	-	-	(25)	25	57
2	Buildings									
	Freehold (refer footnote (b) & (c) below)	419	2,325	(477)	3221	377	81	(46)	504	2717
	Right of use	461	92	-	92	190	54	190	54	38
3	Roads and Bridges									
4	Plant and Machinery	8	-	2	6	1	-	-	1	5
5	Generating Plant and Machinery (refer footnote)									
	Hydraulic Works(Dams, Tunnel, etc.)	898	-	477	421	404	10	46	368	53
7	Vehicles									
	Owned	124	37	132	29	16	11	13	14	15
	Right of use	179	158	179	158	92	86	92	86	72
8	Furniture, Fixture and Equipments	224	443	2	665	41	28	67	67	598
9	Electrical Works	1018	2	-	1020	149	54	-	203	817
10	Electrical Equipments	161	11	8	164	37	9	2	44	120
11	Office Equipments	62	44	6	100	19	6	3	22	78
12	Data processing Equipments	138	32	17	153	63	41	11	93	60
	Total	42622	4,275	807	46090	1389	378	286	44609	44609





SJVN Thermal Private Limited
A wholly owned Subsidiary of SJVN Ltd.
CIN: U31908BR2007PTC017646



2.2 Capital Work-in-progress

Sl.No.	Particulars	As at April 1, 2023	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2024	Capitalised during the year	As at March 31, 2024
1	Building	793	-	0	793	228	565
2	Civil Works	-	-	-	-	-	-
3	Roads, Bridges & Culverts	89	-	-	89	-	89
4	Plant and Machinery	564392	140194	0	704585	1135	703450
5	Electrical Works *	-	-	-	-	-	-
6	Electro Mechanical Works	30452	-	14005	16447	-	16447
7	Pre-construction, Survey and Investigation Expenses	12574	1321	0	13895	-	13895
8	Expenditure on Compensatory Afforestation/CAT Plan	-	-	-	-	-	-
9	Expenditure Attributable to Construction (Note 2.2.1)	-	-	-	-	-	-
10	Railway siding	61807	49006	(14)	110827	-	110827
		6524	4372	-	10896	-	10896
	Total	676631	194893	13992	857532	1363	856169

As at March 31, 2023

Sl.No.	Particulars	As at April 1, 2022	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2023	Capitalised during the year	As at March 31, 2023
1	Building	1756	1362	-	3118	2325	793
2	Civil Works	-	-	-	-	-	-
3	Roads, Bridges & Culverts	51	38	-	89	-	89
4	Plant and Machinery	327390	236999	(3)	564392	-	564392
5	Electrical Works *	-	-	-	-	-	-
6	Electro Mechanical Works	2660	27792	-	30452	-	30452
7	Preliminary	12537	37	-	12574	-	12574
8	Expenditure on Compensatory Afforestation/CAT Plan	-	-	-	-	-	-
9	Expenditure Attributable to Construction (Note 2.2.1)	-	-	-	-	-	-
10	Railway siding	30338	30850	(619)	61807	-	61807
		6114	410	-	6524	-	6524
	Total	380848	297488	(622)	678956	2325	676631

2.2 (a) Capital-Work-in Progress (CWIP) aging schedule

As at March 31, 2024	Amount in CWP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	180901	297488	208233	686622
Total	-	-	-	856169
As at March 31, 2023	Amount in CWP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	297488	209596	125701	632785
Total	297488	209596	125701	632785



SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

2.2.1 Expenditure Attributable to Construction

(₹ Lakh)

	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Employee Benefit Expenses:		
Salaries, Wages, Allowances and Benefits	3297	3260
Contribution to Provident and Other Funds	419	440
Leave Salary and Pension Contribution *	-	2
Welfare Expenses	424	437
	4140	4139
Repair and Maintenance:		
Buildings	5	19
Plant & Machinery	3	3
Office Equipments & Furnitures	1	2
Civil Works	-	9
Vehicles	7	137
Others	107	-
	123	170
Other Expenses:		
Rent	-	2
Insurance	2	7
Security Expenses	726	181
Electricity Charges	539	460
Less:- Recovered from Employees & Contractors	-	-
	539	460
Travelling & Conveyance	78	65
Training and Recruitment Expenses	58	112
	58	112
Legal Expenses	29	1
Professional and Consultancy Charges	66	55
Communication Expenses	62	60
Printing & Stationery	16	13
	-	-
Payment to Auditors:		
As Auditor		
- Statutory Auditor	2	2
- Limited Review	0	-
Reimbursement of Expenses	-	-
Payment to Auditors	2	2
Advertisement & Publicity	16	26
EDP Expenses	1	11
Hiring of Vehicles	130	(11)
Entertainment Expenses	21	15
Expenses on Transit Camps	174	194
C.S.R./ Sustainable Development Expenses	-	1
Loss on Disposal/Write off of Fixed Assets	14	133
Business Promotion Expenses	4	1
Fees and subscription	16	5
Environment & Ecology Expenses	9	10
Miscellaneous Expenses **	54	166
Exchange Rate Variation	(610)	1156
Rehabilitation expense	-	3
Wealth Tax	-	-
Expenses on Regulated Power	-	-
Less: Regulated Power Adjustment - Sales	-	-
	491	556
Interest and Finance Charges:		
Interest on rupee term loans	43127	22980
Finance charges on lease liabilities	18	21
Other finance charges	112	458
Total expenses (A)	49418	30992
Less: Recovery and Receipts:		
Interest Income:		
Banks	328	79
Misc Income	84	63
Total (B)	412	142
Net expenditure attributable to construction Projects (A-B)	49006	30850
Total expenditure attributable to construction Projects	49006	30850





SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)
CIN: U31908BR2007PTC017646

2.3 Intangible Assets

As at March 31, 2024

Sl.No.	Particulars	Gross Block			Depreciation			Net Block		
		As at April 1,2023	Additions during the year	Deductions/ Adjustments	As at March 31, 2024	As at April 1,2023	For the year	Deduction	As at March 31, 2024	As at March 31, 2024
1	Software	207	-	-	207	169	38	-	207	-
	Total:	207	-	-	207	169	38	-	207	-

(₹ Lakh)

As at March 31, 2023

Sl.No.	Particulars	Gross Block			Depreciation			Net Block		
		As at April 1,2022	Additions during the year	Deductions/ Adjustments	As at March 31, 2023	As at April 1,2022	For the year	Deduction	As at March 31, 2023	As at March 31, 2023
1	Software	36	171	-	207	16	153	-	169	38
	Total:	36	171	-	207	16	153	-	169	38

There were no Intangible assets under Development as on 31-03-24
There were no Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as on 31-03-2024





SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

2.4 Other financial assets

	As At March 31, 2024	As At March 31, 2023
Security Deposits	510	513
Total	510	513





SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)
CIN: U31908BR2007PTC017646

2.5 Other Non - current Assets

(₹ Lakh)

As At March 31, 2024 As At March 31, 2023

Capital Advances

Advances to Suppliers and Contractors

Secured by hypothecation of Equipment/Material

- 5195

Unsecured considered good

-Covered by Bank Guarantees

- -

-Others

446 448

Advances to Govt Departments

11043 9115

11043 9115

Total - Capital Advances

11489 14758

Advance Tax

- -

Tax Deducted at Source

33 61

33 61

Less: Provision for Tax

- -

33 61

Total - Other Advances

33 61

Others

Prepaid Expenses

- -

Total Other Non Current Assets

11,522 14819





SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

2.6 Cash and Cash Equivalents

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
Balances with Banks		
Current Accounts	3057	6430
Term Deposits (having original maturity of upto 3 months)	-	2575
	3057	9005
Cheques & Drafts in hand	-	-
Total	3057	9005

2.7 Others Bank Balances

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
Margin Money for BG/ Letter of Credit and Pledged deposits	3130	2933
Other Term Deposits(having original maturity of more than 3 months and maturing within 12 months)	-	-
Total	3130	2933

2.8 Loans

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
Other Advances:		
-Other Employees	-	4
Total Loans	-	4

2.90 Other Financial Assets

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
Amount Recoverable from Contractors & Suppliers	28	26
Amount Receivable from Others	76	-
Total Other Financial Assets	104	26

2.10 Other Current Assets

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
Other Advances		
Advances to other employees of the Company	12	-
		12
Advance to Suppliers and Contractors		
-Secured Considered Good	2287	-
		2287
Accrued Interest on Advances to Contractors		
-Secured Considered Good	-	-
- Unsecured, considered good *	-	22
		22
Less Provision for Expenditure	-	-
		22
Others		
Surplus Stores/Equipments	121	119
Less: Provision for Shortage/ Obsolescence	121	119
		-
Prepaid Expenses		3
		13
Total	2312	25





SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)
CIN: U31908BR2007PTC017646

2.11 Equity Share Capital

	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
AUTHORISED Equity Shares of par value ₹ 10/- each	4000000000	400000	4000000000	400000
ISSUED, SUBSCRIBED AND FULLY PAID UP Equity Shares of par value ₹ 10/- each fully paid up	2511680000	251168	2511680000	251168
Total		251168		251168

2.11.1 Details of shareholders holding more than 5% shares in the Company :

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	%	No. of shares	%
SJVN Ltd	2511680000	100.00	2511680000	100.00

2.11.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
Number of shares at the beginning	2511680000	251168	2511680000	251168
No. of shares issued during the year	-	-	-	-
No. of shares bought back during the year	-	-	-	-
Number of shares at the end	2511680000	251168	2511680000	251168





SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

2.12 Other Equity

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
Retained Earnings		
Opening Balance	(154)	(39)
Add: Profit for the Year as per Statement of Profit and Loss	(91)	(116)
Add: Other comprehensive income during the year	-	-
Closing Balance	<u>(245)</u>	<u>(155)</u>
Total Other Equity	<u>(245)</u>	<u>(155)</u>





SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)
CIN: U31908BR2007PTC017646

2.13 Borrowings

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
From others:		
Secured		
Rupee Terms Loans		
PFC Ltd. #	283775	197766
REC Ltd. #	282247	192886
# Repayable in 180 equal monthly instalments from July 2026 or actual date of Commissioning whichever is earlier carrying interest @ 3 year AAA Corporate Bond Yield + spread of 1.18% p.a.		
Total (B)	566022	390652
Total (A+B)	566022	390652
Less: Current maturities of long term debts	-	-
Total	566022	390652

*Secured by mortgage/hypothecation of all present and future fixed assets and book debts as first charge.

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date

There has been no defaults in repayment of any of the loans or interest thereon at the end of the year.

2.14 Lease Liabilities

	As At March 31, 2024	As At March 31, 2023
Lease liabilities - Non current	3	50

Disclosure as per Ind AS-116 has been given under note no. 2.43

2.15 Other Financial Liabilities

	As At March 31, 2024	As At March 31, 2023
Deposits, Retention Money from Contractors and Others	18500	-
Income Received in Advance	-	-
Total	18500	-





SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

2.16 Non Current Provisions

(₹ Lakh)

Particulars	As At March 31, 2024	As At March 31, 2023
Corporate Social Responsibility/R&R	5032	6100
Total	5032	6100

* As per Para 7 of the Environment Clearance order dated 28.02.2017, a CSR budget of Rs 61 Crore was allocated to be spent in 10 years. The Company has made a provision for the same amount in the financial year 2019-20. Based on Investment approval dated 08.03.2019 and Ministry of Environment, Forest and Climate Change orders for Environment Clearance dated 28.02.2017, detailed draft plan towards Rehabilitation and Resettlement stands approved by the District Magistrate, Buxar, Bihar in line with Sl. No. A(xxxi) of the clearance towards Community Development Plan.





SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

2.17 Lease Liabilities

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
Lease liabilities payable during next year	148	124
Lease liabilities- current	148	124

Disclosure as per Ind AS-116 has been given under note no. 2.43

2.18 Trade Payables

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
Total Outstanding Dues of Micro and Small Scale Enterprises	20	-
Total Outstanding Dues of Creditors Other than Micro and Small Enterprises	-	-
Total	20	-

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in note 2.42

Ageing schedule of trade payables has been given in note no. 2.43

2.19 Other Financial Liabilities-Current

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
- Rupee Term Loans	2318	1653
Liability for Employees' Remuneration and Benefits	2318	1653
Liability for Purchase/Construction of Fixed Assets:	97	111
- Micro and Small Enterprises	-	57
- Other than Micro and Small Enterprises	16321	24136
Amount Payable to Holding Company	(40)	286
Deposits, Retention Money from Contractors and Others	60671	73272
	-	-
Total	79367	99515

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in note 2.42

2.20 Other Current Liabilities

(₹ Lakh)

	As At March 31, 2024	As At March 31, 2023
Other Advances		
TDS and Other Taxes Payable	61	474
Total	61	474





SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

2.21 Current -Provisions

(₹ Lakh)

Particulars	As At March 31, 2024	As At March 31, 2023
Performance Related Pay	369	675
Corporate Social Responsibility/R&R	2389	-
Others	-	-
Total	2758	675

Disclosures required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are provided in Note no. 2.29 (b)





SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

2.22 Other Income

(₹ Lakh)

	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Other Non-Operating Income	-	-
Interest on Income Tax Refund	-	5
Net Gains (Losses) n Fair Value Changes	-	-
Total	-	5





SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)
CIN: U31908BR2007PTC017646

2.23 Employee Benefits Expense

(₹ Lakh)

	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Salaries, Wages, Allowances and Benefits*	36	34
Leave Salary and Pension Contribution *	-	-
Welfare Expenses	-	-
	<u>36</u>	<u>34</u>
	<u>36</u>	<u>34</u>

*Remuneration to key management personnel has been charged to Statement of Profit & Loss as below:

- In case of Chief Executive Officer & Chief Financial Officer- 10% of total remuneration.
- In case of Company Secretary- 100% of total remuneration.
- Post retirement benefits (defined benefits cost) of KMP's are not charged to the P&L A/c.

Disclosures required by IND AS 119 Employees benefits in respect of provisions made towards various employee benefits are provided in Note 2.31





SJVN Thermal Private Limited
(A wholly owned Subsidiary of SJVN Ltd.)
CIN: U31908BR2007PTC017646

2.24 Depreciation and Amortization Expense

(₹ Lakh)

	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
On property, plant and equipment (Note 2.1)*	454	403
On intangible assets (Note 2.3)	37	153
Less: Depreciation attributable to Construction (Note 2.2.1)	491	556
Less: Depreciation written back	-	-
Depreciation Charged to Statement of Profit & Loss	-	-
* Includes depreciation/ amortization of ROU assets	214	140





SJVN Thermal Private Limited

(A wholly owned Subsidiary of SJVN Ltd.)

CIN: U31908BR2007PTC017646

2.25 Other Expenses

(₹ Lakh)

	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Training and Recruitment Expenses	55	86
Less:- Cost of Application Forms Received	-	-
Fees and subscription	55	86
Miscellaneous Expenses	-	-
Total	55	87





SJVN Thermal Private Limited

2.26 Exceptional Items

(₹ Lakh)

	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Projects written off	-	-
Special Rebate to Customers	-	-
Interest on arbitration award *	-	-
Total	-	-





SJVN Thermal Private Limited

2.27 Net movement in regulatory deferral account balances (net of tax)

(₹ Lakh)

	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Regulatory Deferral Account Debit Balance:		
Foreign exchange rate variation on foreign currency loans	-	-
Employee benefits expense (pay revision)	-	-
Interest on arbitration award	-	-
O&M / Security Expenses recoverable in tariff	-	-
Total	-	-
Tax on net movement in regulatory deferral account balances	-	-
Net movement in regulatory deferral account balances (net of tax)	-	-



2.28 Disclosure on Financial Instruments and Risk Management

(1) Fair Value Measurement

A) Financial Instruments by category

(₹ Lakh)

Particulars	Notes	As at	As at
		March 31, 2024	March 31, 2023
		Amortised Cost / FVTPL / FVTOCI	Amortised Cost / FVTPL / FVTOCI
Financial assets			
Non-current Financial assets			
(i) Non-current investments *			
-Equity Instrument (Unquoted)	-	-	-
(ii) Loans (to employee & others)	-	-	-
(iii) Others:			
-Security Deposits	2.4	510	513
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.4	-	-
Current Financial assets			
(i) Trade receivables	2.10	-	-
(ii) Cash and cash equivalents	2.6	3,057	9,005
(iii) Bank balances other than (iii) above	2.7	3,130	2,933
(iv) Short-term loans (to employee & others)	2.8	-	4
(v) others :			
(a) Amount recoverable from supplier & contractors	2.9	28	26
(b) interest receivable on investments and bank deposits	2.9	-	-
(c) other receivables	2.9	76	-
Total Financial Assets		6,801	12,481
Financial Liabilities			
Non Current Financial Liabilities			
(i) Long -Term Borrowings			
a) Non-convertible redeemable bonds		-	-
b) Term Loan From Banks	2.13	5,66,022	3,90,652
c) Term Loan from others	2.13	-	-
(ii) Lease Liabilities	2.14	3	50
(iii) Deposits/Retention Money-non current	2.15	18,500	-
Current Financial Liabilities			
(i) Short-term borrowings		-	-
(ii) Lease liabilities	2.17	148	124
(iii) Trade Payables (MSME)	2.18	20	-
(iv) Trade Payables (other than MSME)		-	-
(v) Other Current financial liabilities			
a) interest accrued but not due on borrowings	2.19	2,318	1,653
b) Deposits/Retention Money	2.19	60,671	73,272
c) Liability against Capital Works/Supplies	2.19	16,321	24,193
d) Other Payables	2.19	57	397
Total Financial Liabilities		6,64,060	4,90,341

* At Cost

Note: Financial Assets / Financial Liabilities have been measured in accordance with note no 1.12. In previous year, the same was stated at transaction cost.



B) FAIR VALUATION MEASUREMENT

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has to classify its financial instruments into the three levels prescribed under the accounting standards.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and traded bonds that have quoted price. The fair value of all equity instruments including bonds which are traded in the recognised Stock Exchange and money markets are valued using the closing prices as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market 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. This includes security deposits/ retention money and loans at below market rates of interest.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period. PFC/REC loan average interest rate used in calculation of present value.

Financial Assets/Liabilities measured at Amortised Cost / FVTPL / FVTOCI for which Fair Value are disclosed:

(₹ Lakh)

	Note No.	As at March 31, 2024			As at March 31, 2023		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Loans (to employee & others)	2.8		-			4	
(ii) Others							
-Bank Deposits with more than 12 Months Maturity (including accrued interest)			-			-	
-Security Deposits	2.4		510			513	
Total Financial Assets		-	510	-	-	517	-
Financial Liabilities							
(i) Non-convertible redeemable bonds		-				-	
(iii) Borrowings (Long term & Short term)	2.13&2.19		5,68,340			3,92,305	
(ii) Lease liabilities	2.14&2.17		151			174	
(iii) Deposits/Retention Money (including Current)	2.15 & 2.19		79,171			73,272	
Total Financial Liabilities		-	6,47,662			4,65,751	

(ii) Valuation techniques and process used to determine fair values

The Company values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:

- Use of Quoted market price or dealer quotes for similar instruments.
- Fair value of remaining financial instruments is determined using discounted cash flow analysis.

The company has a team that performs the valuation of financial assets and liabilities required for financial reporting purpose .

(iii) Fair value of Financial Assets and liabilities measured at Amortised Cost

(₹ Lakh)

	Note No.	As at March 31, 2024		As at March 31, 2023	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets at Amortised					
(i) Loans	2.8	-	-	4	4
(ii) Bank Deposits with more than 12 Months Maturity		-	-	-	-
(iii) Security Deposits	2.4	510	510	513	513
Total Financial Assets		510	510	517	517
Financial Liabilities at Amortised Cost					
(i) Non-convertible redeemable bonds		-	-		
(ii) Long-term borrowings (including Current Maturity and interest)	2.13&2.19	5,68,340	5,68,340	3,92,305	3,92,305
(iii) Lease liabilities	2.14&2.17	151	151	174	174
(iv) Deposits/Retention Money	2.15 & 2.19	79,171	79,171	73,272	73,272
Total Financial Liabilities		6,47,662	6,47,662	4,65,751	4,65,751

Significant Estimates:

Note:

- The Carrying amount of current investments, Trade and other receivables, Cash and cash equivalents, Short-term loans and advances, Short term borrowings, Trade payables and other current financial liabilities are stated at transaction cost which is considered to be the same as their fair values due to short term nature
- For financial assets and financial liabilities measured at fair value, the carrying amounts are equal to the fair value.



(2) Financial Risk Management

Financial risk factors

The Company's is in the Stage of Construction of Thermal Power plant. Principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has not yet started its commercial operations hence it does not have any trade receivables and other receivables, investments and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Trade receivables and financial assets measured at amortised cost	Aging analysis	diversification of bank deposits, credit limits and letter of credit
Liquidity Risk	Borrowings and other facilities	Rolling cash flow forecasts	availability of committed credit lines and borrowing facilities
Market Risk- Interest rate	Long term borrowings at variable rates	sensitivity analysis	1. Diversification of fixed rate and floating rates. 2. Refinancing 3. Actual interest is recovered through tariff as per CERC Regulation
Market Risk- foreign exchange	Recognised financial liabilities not denominated in INR	sensitivity analysis	Foreign exchange rate variation on loans is recovered through tariff as per CERC regulation

i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions.

ii) Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company's risk management is carried out as per policies approved by Board of Directors from time to time.

(A) Credit Risk

The Company is under construction and is exposed to credit risk from its financing activities iro Loans taken from PFC & REC.

(B) Liquidity Risk

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.
(₹ Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate borrowings		
Term loans	286100	461440
Foreign currency loans	-	-
Bank Overdraft	-	-
Loans against Term Deposits	-	-
Total	286100	461440

(ii) Maturities of Financial Liabilities:

The table below provides undiscounted cash flows towards company's financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date. Balance due within 1 year is equal to their carrying balances as the impact of discounting is not significant

For the Year Ended March 31, 2024

(₹ Lakh)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2024	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
1. Non-convertible redeemable bonds	-	-	-	-	-	-
2. Long term & Short Borrowings (including interest accrued but not due)	2.13 & 2.19	5,68,340	2,318	1,03,771	75,470	3,86,782
3. Lease liabilities	2.14 & 2.17	151	148	3	-	-
4. Other financial Liabilities	2.15 & 2.19	95,549	77,049	18,500	-	-
5. Trade Payables	2.18	20	20	-	-	-
Total Financial Liabilities		6,64,060	79,535	1,22,274	75,470	3,86,782



For the Year Ended March 31, 2023

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2023	(₹ Lakh)			
			Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
1. Non-convertible redeemable bonds		-	-	-	-	-
2. Long term & Short Borrowings (including interest accrued but	2.13 & 2.19	3,92,305	1,653	52,086	52,086	2,86,480
3. Lease liabilities	2.14 & 2.17	174	124	50	-	-
4. Other financial Liabilities	2.15 & 2.19	97,862	97,862	-	-	-
5. Trade Payables	2.18	-	-	-	-	-
Total Financial Liabilities		4,90,341	99,639	52,136	52,086	2,86,480

(C) Market Risk:

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in interest rates.

(i) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates and any changes in the interest rates environment may impact future cost of borrowing. Company does not have fixed rate borrowings.

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

Particulars	(₹ Lakh)	
	As at March 31, 2024	As at March 31, 2023
Variable Rate Borrowings (FC)	-	-
Variable Rate Borrowings (INR)	5,66,022	3,90,652
Total	5,66,022	3,90,652

Interest Rate Sensitivity Analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings.

Particulars	(₹ Lakh)	
	As at March 31, 2024	As at March 31, 2023
Effect on Profit Before Tax with rise of 25 basis points	-	-
Effect on Profit Before Tax with rise of 50 basis points	-	-

(ii) Price Risk:

(a) Exposure

The company has no exposure to price risk as there is no investment in equity shares which are listed in recognised stock exchange and are publicly traded in the stock exchanges.

(iii) Foreign Currency Risk

The company is compensated for variability in foreign currency exchange rate through recovery by way of tariff adjustments under the CERC Tariff Regulations

(a) Foreign Currency Risk Exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as

Particulars	As at	
	March 31, 2024	March 31, 2023
Foreign Currency	USD, JPY, EURO	USD, JPY, EURO
Net Exposure to foreign currency risk(asset)	-	-
Financial Liabilities:		
Retention Money under EPC package awarded to L&T (In Lakhs)	17226	16646
Net Exposure to foreign currency risk(liabilities)	17226	16646



SJVN Thermal Pvt Limited

(3) Capital Management

(a) Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31st March, 2024.

The Company monitors capital using Debt Equity ratio, which is net debt divided by total capital. The Debt Equity ratio are as follows:

Statement of Debt Equity Ratio

Particulars	(' in Lakh)			
	As at 31, 2024	March	As at 31, 2023	March
(a) Total Debt		568340		392305
(b) Total Capital		250923		251013
Debt Equity Ratio (a/b)		2.26		1.56

Note: For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.



2.29 Contingent Liabilities: -

a) Claims against the Company not acknowledged as debts in respect of:

(₹ in Lakh)

Name of the Party	Particulars	As at 31.03.2024	As at 31.03.2023
SBI	Prepayment penalty	-	2547
SBI	Misc approval charges	-	6
Canara Bank	Prepayment penalty	-	2149
Canara Bank	Reclaiming of concessional in ROI	-	1995
Canara Bank	Penal interest @1% from 02.09.2022 till closure of loan for non-creation of mortgage	-	158
L&T	Crane Hiring Charges	274	-
L&T	Claim due to Stoppage of Work due to agitation and gate closure by the agitators.	6600	-
KEC International Ltd and HMM Infra Limited	Joint Venture KEC International Ltd and HMM Infra Limited has been awarded contract by RITES Limited for railway infrastructure work at BTPP under package-IV. The contractor has given a notice to foreclose the contract for reimbursing cost/expenses in mobilization and remaining engaged at site.	343	-
	Total	7217	6855

The Company has not given any guarantee or there is no other money for which the company is contingently liable

b) Movement in Provisions

(₹ in Lakh)

	Opening Balance 01.04.2023	Additions during the year	Write back/ transfer/ Adjustment during the year	Utilisation during the year	Closing balance 31.03.2024
Performance Related Pay (PRP)	675	369	52	623	369
Provision for Rehabilitation & Resettlement	6100	2000	0	0	8100
Total	6775	2369	52	623	8469

a) Provision for Performance Related Pay: Short-term Provision has been recognized in the accounts towards Performance Related Pay incentive to employees on the basis of management estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises, Government of India

b) Provision for Rehabilitation & Resettlement: As per Para 7 of the Environment Clearance order dated 28.02.2017, a CSR budget of Rs 6100 lakh was allocated to be spent in 10 years. The Company has made a provision for the same amount in the financial year 2019-20. Based on Investment approval dated 08.03.2019 and Ministry of Environment, Forest and Climate Change orders for Environment Clearance dated 28.02.2017, detailed draft plan towards Rehabilitation and Resettlement stands approved by the District Magistrate, Buxar, Bihar in line with



Sl. No. A(xxxi) of the clearance towards Community Development Plan. Additionally, as per the R&R Budget, a provision of Rs 2000 lakh has been provided as a Rehabilitation grant.

c) Estimated amount of commitments not provided for is as under:

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Estimated Amount of contracts remaining to be executed on capital account and not provided for	218519	332656
Total	218519	332656

d) Impact of pending litigations or its financial positions is NIL (Previous Year – NIL)

2.30 The effect of foreign exchange fluctuation during the years is as under:

(₹ in Lakh)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Amount charged to Statement of Profit and Loss excluding depreciation:	-	-
	- As FERV	-	-
	- As Borrowing cost	-	-
(ii)	Amount charged to Expenditure Attributable to Construction:	(610)	1156
	- As FERV	-	-
	- As Borrowing cost	-	-
(iii)	Amount adjusted by addition to carrying amount of fixed assets	-	-

2.31 Disclosure under the provisions of IND-AS-19 'Employee Benefits':-

All the employees posted in the Company are on secondment from the Holding Company, SJVN Limited. General description of various defined employee benefits is as under:

a) Defined Contribution plans:

i) Employer's contribution to Provident Fund:

Fixed contribution to Provident Fund is paid at a predetermined rate to a separate trust, created by the holding company, which invests the fund in permitted securities. The contribution of ₹ 212 Lakh (Previous Year: ₹ 182 Lakhs) is recognized as expense, charged to Expenditure attributable to Construction (EAC) / Statement of Profit & Loss account. The obligation of the company is limited to fixed contribution and to ensure a minimum rate of return to the members as specified by Govt. of India.

ii) Pension:

Holding company contributes towards pension of its employees to National Pension Scheme (NPS) of Govt. of India and liability for the same for the year towards employees posted in the company on secondment is ₹ 171 Lakh (Previous Year: ₹ 218 Lakh) and is recognized on accrual basis. The same is recognized as expense, charged to Expenditure attributable to Construction (EAC) / Statement of Profit & Loss account.



b) Defined benefit plans:

i) Gratuity:

Holding company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is managed by a separate trust, created by the holding company and liability for the same for the year towards employees posted in the company on secondment is ₹ 34 Lakh (Previous Year: ₹ 37 Lakh) and recognized on the basis of actuarial valuation. The same is recognized as expense charged to Expenditure Attributable to Construction (EAC).

ii) Leave encashment:

Holding Company has a defined leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves and medical leaves subject to certain limits and other conditions specified for the same and liability for the same for the year towards employees posted in the company on secondment is ₹ 249 Lakh (Previous Year: ₹ 235 Lakh) provided on the basis of actuarial valuation. The same is recognized as expense, charged to Expenditure Attributable to Construction (EAC).

iii) Retired Employee Health Scheme:

Holding Company has a Retired Employee Health Scheme, under which retired employee, spouse and their dependents are provided medical facilities in the Company hospitals/empaneled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. Liability for the same for the year towards employees posted in the company on secondment is ₹ 32 Lakh (Previous Year: ₹ 37 Lakh) provided on the basis of actuarial valuation. The same is recognized as expense, charged to Expenditure Attributable to Construction (EAC).

iv) Baggage Allowance:

Actual cost of shifting from place of duty at which employee is posted at the time of retirement to any other place where he/she may like to settle after retirement shall be paid in accordance with rules of the holding company and liability for the same for the year towards employees posted in the company on secondment is ₹ 15 lakh (Previous Year: ₹ 9 lakh) and provided on the basis of actuarial valuation. The same is recognized as expense, charged to Expenditure Attributable to Construction (EAC).

v) Service Reward on Retirement:

Gift at the time of retirement shall be given to the employee in accordance with rules of the Company and liability for the same for the year towards employees posted in the company on secondment is ₹ 2 lakh (Previous Year: ₹ 10 lakh) provided on the basis of actuarial valuation. The same is recognized as expense, charged to Expenditure Attributable to Construction (EAC).

I. Key Actuarial assumptions for Actuarial Valuation:

Particular	As at 31.03.2024	As at 31.03.2023
Mortality Table	IALM (2012-14)	IALM (2012-14)
Discount Rate	7.10%	7.40%
Future Salary Increase	6.50%	6.50%



Risk exposure: Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Medical cost increase- Increase in actual medical cost per retiree will increase the plans liability. Increase in medical cost per retiree rate assumption will also increase the liability.
- Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

The entries on actuarial valuation are passed by the company on the basis of advice received from holding company SJVN Ltd, which undertakes the valuation from an independent valuer. The amount is shared between the units by the SJVN Ltd. To take effect of transfers during the year, (+/-) adjustment is made in opening provision to arrive at such opening provision, which is in proportion to closing provision of the whole group of this company.

c) Other Long Term Employee Benefit Plans

The company provides for earned leave benefit and half pay leave to the employees of the company which accrue annually at 30 days and 20 days respectively. Earned leave (EL) and Half pay leave (HPL) are en-cashable subject to limits and other conditions specified for the same. The scheme is un-funded and liability for the same is recognised on the basis of actuarial valuations. During the year, provision amounting Rs 249 Lakh (PY Rs 235 lakhs) has been made on the basis of actuarial valuation at the year end and debited to statement of Expenditure Attributable to Construction.

2.32 Segment information:

- a) Operating Segments are defined as components of an enterprise for which financial information is available that is evaluated regularly by the Management in deciding how to allocate resources and assessing performance.
- b) Company is in the process of implementing Coal based Thermal Power Project and is in construction stage. Hence, there is no reportable segment.
- c) The Company is executing Thermal Power Project at Chausa, Distt. Buxar, Bihar. As such company having a single geographical segment is located within the Country.
- d) Information about major customers: The company is in construction stage. However, PPA has been signed with the state of Bihar wherein, Govt. of Bihar has committed to



purchase 85% of electricity produced. Balance 15% of the electricity produced will be supplied to national grid and will be sold in the open market.

e) Revenue from External Customers: Nil

2.33 Information on 'Related Party Disclosures' as per Ind AS 24 is as under:

a) **List of Related Parties –**

i) **Directors & Key Management Personnel (KMP):**

Sr. No.	Name of Director/ KMP	Designation
1	Smt. Geeta Kapur	Chairman & Managing Director
2	Shri Akhileshwar Singh	Director
3	Shri Sushil Sharma	Director
5	Shri Sanjay Singh	Chief Executive Officer
6	Shri Vivek Bhatnagar	Chief Financial Officer
7	Shri Raman Kant Sharma	Company Secretary

ii) **Holding Company:**

Name of Entity	% of Shareholding/ voting Power			
	Principal Place of Operation/Country of Incorporation	Principal activities	As at March 31, 2024	As at March 31, 2023
SJVN Limited	India	Power Generation	100%	100%

b) **Transactions with Holding company and key management personnel (KMP) are as follows.**

(₹ in lakh)

Particulars	Holding Company		Directors/ Key Management Personnel (KMP)	
	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2023-24	F.Y. 2022-23
Transactions During the Year				
1. Issue of share capital				
a) SJVN Limited (Including Share application Money)	-	-	-	-
2. Advance from Holding Co.				
a) SJVN Limited	40	285	-	-

c) **Transaction with Government and the related parties under the control of the same government:**

(₹ in lakh)

Sr. No.	Name of the Related Party	Nature of transaction by the company	2023-24	2022-23



A. Transaction During the year				
1.	NTPC Limited	PMC Fees	1,168	2,063
2.	RITES Limited	PMC Fees	3081	376
4.	Indian Oil Corporation	Permission Fee	0	37
5.	CPM (GS) East Central Railway ECR	Deposit Work	1,000	1000
6.	PFC	Interest	21326	5180
7.	REC	Interest	21802	5302
8.	PFC	LOC fee	24	16
9.	REC	LOC fee	33	26
11	BSNL	Tel Bill Payments	12	12
B. Outstanding Balances (Payable)				
1.	NTPC	PMC Fees	0	475
2.	RITES Limited	PMC Fees	110	124
3.	PFC	Accrued Interest on Rupee Term Loan	1161	840
4.	REC	Accrued Interest on Rupee Term Loan	1157	813

d) **Loans from Related Parties:** Rupees Term Loan Outstanding from the related parties under the control of same Government is as follow: (₹ in lakh)

A. Outstanding Balances (Payable)#				
Sl. No.	Name of the Related Party	Nature of transaction by the company	2023-24	2022-23
1.	PFC	Rupee Term Loan Outstanding	283775	197766
2.	REC	Rupee Term Loan Outstanding	282247	192886

e) **Remuneration to Directors & Key Managerial Personnel**

(₹ in Lakh)

Sr. No	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
i)	Short Term Employee Benefits	163	180
ii)	Post-Employment Benefits	-	-
iii)	Other Long-Term Employee Benefits	-	-
iv)	Termination Benefits	-	-



v)	Employee Share Based Payments	-	-
	Total	163	180

Remuneration to key management personnel has been charged to Statement of Profit & Loss as below:

- In case of Chief Executive Officer & Chief Financial Officer- 10% of total remuneration.
 - In case of Company Secretary- 100% of total remuneration.
- CEO is allowed the use of staff cars including for private journeys on payment in accordance with company policy.

2.34 Earnings Per Share: -

Calculation of Earnings Per Share (Basic and Diluted) is as under:

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Net Profit/ (loss) after Tax but before Regulatory Income used as numerator (₹ in Lakh)	(91)	(116)
Net Profit after Tax and Regulatory Income used as numerator (₹ in Lakh)	(91)	(116)
Weighted Average number of equity shares used as denominator for Basic EPS	25116800000	25116800000
Weighted Average number of equity shares used as denominator for Diluted EPS	25116800000	25116800000
Earnings per Share before Regulatory Income (₹) – Basic & Diluted	-	-
Earnings per Share after Regulatory Income (₹) – Basic & Diluted	-	-
Face value per share (₹)	10	10

2.35 Impairment of Assets-

SJVN Thermal Pvt ltd is under construction thermal power project. As per Ind AS 36, in the opinion of the Management, there is no indication of any impairment of the assets during the year.

2.36 Disclosure Regarding Embedded Lease: Nil

2.37 Other disclosures as per Schedule-III of the Companies Act, 2013 are as under:- (₹ in Lakh)

(A)	Expenditure in foreign currency	Year ended 31.03.2024	Year ended 31.03.2023
i)	Consultancy	-	-
ii)	Financing Charges (ECBs)	-	-
iii)	Interest on External Commercial Borrowings (ECBs)	-	-
iv)	Interest on World Bank Loan.	-	-
v)	Dividend Paid	-	-
vi)	Other Miscellaneous Matters	-	-
(B)	Earnings in foreign currency	-	-
(C)	Value of Import calculated on CIF basis		
i)	Capital Goods	10479	9084



ii)	Spare Parts	1103	807
(D)	Value of components, stores and spare parts consumed		
i)	Imported	-	-
ii)	Indigenous	-	-

2.38 Quantitative details in respect of energy generated & sold:

a) Thermal Power (Coal based):-

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
i)	Licensed Capacity (MW)	1320	1320
ii)	Installed Capacity (MW)	-	-
iii)	Actual Generation (Million Units)	-	-

2.39 Payment to Auditors includes:

(₹ in Lakh)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
As Auditors		
- Statutory Audit	1.30	1.30
- Tax Audit	-	-
- Limited Review	0.20	0.30
For other services (Certificates etc.)	-	0.20
Reimbursement of Expenses	0.11	-
Reimbursement of GST	0.27	0.32
Total	1.88	2.12

2.40 Foreign currency exposure not hedged by a derivative instrument or otherwise:

(₹ in Lakh)

Particulars	Currency	As at 31.03.2024	As at 31.03.2023
Retention against vendor bills	USD, JPY, Euro	17226	16646

2.41 Disclosure related to Corporate Social Responsibility (CSR):

As per the Companies Act, 2013, the company is required to spend at least 2 % of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. During the year an amount of ` 0.00 lakh [(2% of Average Profit Before Tax of immediately previous three years (P.Y ` 0.12, 2% of Average Profit Before Tax of immediately previous three years)] to be spent on CSR during the year. In this regard Rs 0.00 lakh has been spent and booked to CSR expenses.



2.42 Information in respect of micro and small enterprises as at 31st March 2024 as required by Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Lakh)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
a) Amount remaining unpaid to any supplier:		
Principal amount	20	57
Interest due thereon	-	-
b) Amount of interest paid in terms of section 16 of the MSMED Act along with the amount paid to the suppliers beyond the appointed day.	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under section 23 of MSMED Act.	-	-

2.43 Leases.

The Company has adopted Ind AS 116-Leases effective 1st April, 2019.

2.44 Trade payable aging schedule

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	20	-	-	-	20
(ii) Others	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

Previous Year

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				Total
		1-2 years	2-3 years		



	Less than 1 year			More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

2.45 Trade receivables aging schedule

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

The company is still in the Construction phase hence there are no trade receivables.

Previous Year

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

The company is still in the Construction phase hence there were no trade receivables.



2.46 Relationship with Struck off companies: Nil

(₹ in Lakh)

Name of struck off Company	Nature of transactions with struck- off Company	Balance	Relationship with the Struck off company, if any, to be disclosed
-	Investments in securities	-	-
-	Receivables	-	-
Bihar Power Infrastructure Company Pvt Ltd	Payables	59	Professional Charges for period prior its being struck off
-	Shares held by stuck off company	-	-
-	Other outstanding balances (to be specified)	-	-

Previous Year

(₹ in Lakh)

Name of struck off Company	Nature of transactions with struck- off Company	Balance	Relationship with the Struck off company, if any, to be disclosed
-	Investments in securities	-	-
-	Receivables	-	-
Bihar Power Infrastructure Company Pvt Ltd	Payables	59	Professional Charges for period prior its being struck off
-	Shares held by stuck off company	-	-
-	Other outstanding balances (to be specified)	-	-



2.47 Ratios

Sr. No.	Particular	Numerator	Denominator	Ratio CY	Ratio PY
(a)	Current Ratio	Total Current assets	Total current liabilities	0.10	0.12
(b)	Debt-Equity Ratio	Non-current borrowing + Current borrowings + non-current leased liabilities + Current lease liabilities	Total Equity	2.26	1.56
(c)	Debt Service Coverage Ratio	Profit for the period +Exceptional items + Finance cost+ Depreciation	Finance cost + lease payments+ Scheduled payments of long-term borrowings	-	-
(d)	Return on Equity Ratio (%)	Profit for the period	Total Equity	-	-
(e)	Inventory Turnover Ratio	N.A.			
(f)	Trade Receivables Turnover Ratio	Revenue from operation	Average trade receivables	-	-
(g)	Trade Payables Turnover Ratio	Other expenses (excluding CSR expenses, loss on sales of assets/ stores)	Average trade payables	-	-
(h)	Net capital turnover ratio	Revenue from operation	Total assets- current liabilities	-	-
(i)	Net Profit Ratio (%)	Profit for the period	Revenue from operation	-	-
(j)	Return on Capital employed (%)	Profit for the period +Tax expenses + Finance cost	Total equity + Long term borrowings	-	-
(k)	Return on investment	Profit after tax	Average total assets	-	-

*There is a decrease of 0.02 % in Current ratio due to mainly less amount of Cash & Cash equivalent balance as on 31-03-24 in comparison to last year.

*There is an increase of 0.7% in Debt equity ratio due to the borrowings made during the year from PFC & REC while the equity Share Capital remains same.

2.48 Rounding Off

The figures have been rounded off to the nearest Lakhs resulting in rounding off adjustments at some places. Negative figures in Financial Statements are shown in bracket.

2.49 Detail of Immovable Assets which are not in the name of STPL: Nil

2.50 The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters/emails with the negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to the parties. Some of such balances are subject to



confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

2.51 The company has fully used the borrowings taken from Power Finance Corporation & Rural Electrification Corporation for the specific purpose of Construction of Thermal Power project at Chausa, District Buxar i.e the for which it was taken as on Balance Sheet date.

2.52 The company has not invested in any investments hence the aggregate amount of quoted investments and market value thereof is nil.

2.53 The Company does not hold any Benami property & no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. There is no undisclosed income of STPL.

2.54 Quarterly returns or statements of current assets and Reconciliation thereof: Not Applicable

2.55 The company has not been declared willful defaulter by any bank or financial Institution or any other lender.

2.56 Registration of charges or satisfaction with Registrar of Companies: - Rs 844846 Lakhs (Previous Year Rs 844846 Lakhs) in respect of sanctioned loan limit of Group led by SBI Consortium.

2.57 Compliance with number of layers of companies: SJVN Thermal Pvt Ltd is a wholly owned subsidiary of SJVN Ltd. STPL is not having any subsidiary hence the compliance is not applicable.

2.58 Compliance with approved Scheme(s) of Arrangements: No scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, therefore disclosure in this is not required.

2.59 Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.




2.60 Opening balances/corresponding figures for previous year(s) / period(s) have been re-grouped/re-arranged, wherever necessary.

For and on behalf of the Board of Directors


(Raman Kant Sharma)
Company Secretary
ACS-A29662
Place: New Delhi


(Vivek Bhatnagar)
CFO
Place: New Delhi


(Sanjay Kumar Singh)
CEO
Place: New Delhi


(Akhileshwar Singh)
Director
DIN:08627576
Place: New Delhi


(Sushil Sharma)
Chairman
DIN-08776440
Place: New Delhi

These are the notes referred to in the Financial Statements.

For S K Jha & Associates

Chartered Accountants

(FRN-006189C)



(Ratendra Kumar)

M. No. 075813

Place: New Delhi

Dated: 17-05-2024

