N G C & Company LLP

Chartered Accountants

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF TRN ENERGY PRIVATE LIMITED

Report on the Audit of the Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Ind AS financial statements of **TRN Energy Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2022, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the "Basis for Qualified opinion" section of our report, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its losses (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

1. We draw attention to Note no.29(b) to the Ind AS financial statements which states that the Company has recognized revenue on account of capacity charges aggregating to Rs. 13,516.33 lakhs till 31 March 2021 (not recognized for current financial year), based on the declared capacity informed by it to PTC/UP Discoms, although PTC India Limited/ UP Discoms have not accepted the said declared capacity. The Company has also not recognized the expense on account of penalty pertaining to the said declared capacity aggregating to Rs. 1,687.53 lakhs till 31 March 2021, imposed by PTC/UP Discoms. The Company has filed petition with CERC w.r.t the claim on account of Capacity Charges due to the above-mentioned difference in Declared Capacity. The petition is currently pending before Hon'ble CERC. As a result of this, the revenue for the previous years is overstated and accordingly the "trade receivables" are overstated by Rs. 15,203.86 lakhs as at 31 March 2022.

   We also draw attention to Note no. 29(c) to the Ind AS financial statements which states that the Company has also contested the trading margin charged by PTC despite non fulfilment of certain deliverables on the part of PTC as per the provisions of the PPA. The amount of trading margin on account of the above was Rs. 5,084.62 lakhs upto the period ended 31 March 2020 which was recorded as expenses in the financial statements. However, pursuant to new Trading License Regulations, 2020 issued by CERC on 2 January 2020 and considering the fact that PTC had not created payment security mechanism as per the terms of PPA before 31 January 2020, the Company has during the year ended 31 March 2021, raised debit note of Rs. 5,058.24 lakhs towards excess trading margin charged upto the period ended 30 January 2020. The same has been included by the Company under the head "trade receivables".

   The recognition of above revenue items constitutes departure from Ind AS 115, "Revenue from Contracts with Customers" which clearly states that revenue from sale of goods or services shall be recognised on satisfaction of some conditions, one of the condition being that *"it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due".*

   We were unable to obtain sufficient and appropriate audit evidence to ensure probability of recovery in relation to above said revenue recognized in earlier years and henceforth unable to comment on recoverability of the said receivables.

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2. We draw attention to Note no. 18 and Note no. 28 (h) & (i) to the Ind AS financial statements which states that amount payable to MSME vendors as on 31 March 2022 is Rs. 3,540.03 lakhs which is still payable as on the date of our audit report due to immense financial stress in the Company. There are certain MSME vendors where dues are outstanding for more than 45 days as at 31 March 2022, however, the Company has not made any provision towards interest on MSME dues.

   Further, the Company has received some notices from Micro and Small Enterprises Facilitation Council w.r.t. the application filed by certain Micro, Small and Medium Enterprises regarding non-payment of their dues amounting to Rs. 495.80 lakhs along with interest thereon amounting to Rs. 266.61 lakhs.

   Furthermore, two MSME vendors have filed application before NCLT under section 9 of the Insolvency and Bankruptcy Code 2016 read with rule 6 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rules, 2016 for initiation of Corporate Insolvency Resolution Process against the Company due to non-payment of its dues along with interest thereon. One of the case has been dismissed and withdrawn in December 2021, however, it is not yet updated on MCA website which is still showing the Company status as "Under Corporate Insolvency Resolution Process" and in the other case the Company has contested against the same.

   Non recognition of material interest expense constitutes departure from Ind AS 1, "Presentation of Financial Statements" which states that *"an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting".*

3. We draw attention to Note no. 33 to the Ind AS financial statements which states that the Company has taken certain Inter Corporate Deposits (ICD) of Rs. 35,873.03 lakhs from related parties and Rs. 1,123.95 lakhs from third parties which are repayable on demand at an interest rate of 10% and another ICD of Rs. 1,040.00 lakhs from third party which is also repayable on demand at an interest rate of 16%. As part of the conditions imposed under the flexible structuring scheme approved by term loan lenders, any repayment of ICDs shall be subordinate to the complete repayment of the lender's obligations. Any payment of interest on the above instruments shall also be subordinate to the lenders obligations and shall be done only with prior approval of the lenders. In view of the said restrictions, the ICD's of Rs. 36,996.98 lakhs and interest accrued thereon of Rs. 8,609.93 lakhs were classified under long term liabilities from financial year ended 31 March 2021.

   In December 2021, the Company was declared NPA by lenders as the Company was not able to service its financial obligations due to cash flow constraints. Further, till date the Company has not been able to service its obligations towards the lenders, hence, the Company has decided to continue to measure the principal and interest classified under long term liabilities at its face value instead of fair value and has not recorded interest expense for the financial year 2021-2022 although the Company was required to record interest expense on ICD as per accrual basis of accounting.

   The Company has also not been able to deposit TDS (applicable on interest accrued on ICD) amounting to Rs. 579.76 lakhs for the year 2019-20 and Rs. 289.77 lakhs for the year 2020-21 due to non-approval by the term lenders. The Company has however made provision amounting to Rs. 113.05 lakhs and Rs. 160.86 lakh during the year ended 31 March 2021 and 31 March 2022 respectively towards interest on non-deposit of the said TDS, though the same has also not yet been deposited.

   Non recognition of material interest expense constitutes departure from Ind AS 1, "Presentation of Financial Statements" which states that *"an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting".*

   Recognition of long term financial liability at face value instead of fair value constitutes departure from Ind AS 109, "Financial Instruments" which states that *"an entity shall classify all financial liabilities at fair value".*

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TDS deducted but not deposited constitutes departure from Statutory Compliance and attracting provisions of section 276B of Income Tax Act which states that "If a person, without reasonable cause or excuse, fails to deduct or after deducting fails to pay the tax as required by or under the provisions of sub-section (9) of section 80E or Chapter XVII-B, he shall be punishable with rigorous imprisonment for a term which may extend to six months, and shall also be liable to fine which shall be not less than a sum calculated at the rate of fifteen per cent per annum on the amount of such tax from the date on which such tax was deductible to the date on which such tax is actually paid." Proceedings for the period 2018-19 has already been initiated against the Company/Concerned person [refer note 28(i)(b) of financial statements]

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

Material Uncertainty Related to Going Concern

We draw attention to Note 37 & 39 of Ind AS financial statements, wherein it has been stated that the Company has been in financial stress from past few years and there have been delays/defaults in payments of principal and interest to its term lenders. In December 2021, the Company was declared NPA by lenders as the Company was not able to service its financial obligations due to cash flow constraints. Further, till date the Company has not been able to service its obligations towards the lenders. Also, notices under section 13(2) of the SARFAESI Act, 2002 have been issued by Canara bank & HDFC Bank (being working capital lenders) to the Company and all the Guarantors to discharge jointly or severally total outstanding dues along with the future interest and incidental expenses & cost thereon till the date of final payment, within 60 days from the date of notice failing which further action shall be taken as per provision of section 13 of the said Act, in respect of the secured assets. Further, the Company and its few noticees through their letter submitted in September 2022, have replied to HDFC Bank stating reasons for financial stress and seeking support of lender to run plant and the request to initiate the resolution plan is being pursued with the lenders. In addition to above, the Company has various issues in relation to payments to vendors, statutory dues, water charges, revenue disputes with PTC, shut down of unit-II due to machinery break down for a long period, recognition of impairment loss on property plant and equipment etc. which indicates that material uncertainty exists which may cast a significant doubt on Company's ability to continue as a going concern.

However, despite the above shortcomings, the Company is expecting revival by working actively to resolve/settle its various issues with lenders (through a resolution plan), vendors and also arbitration proceedings with its EPC contractor. Considering the various measures being taken by the Company to settle pending issues including through a resolution plan for restructuring of its debt and other financial obligations, the management of the Company is hopeful of a better financial position and expects to generate sufficient working capital to run its power plant at optimum levels so as to meet its obligation towards term lenders, working capital lenders, vendors and statutory dues. Accordingly, notwithstanding the aforesaid uncertain events, the Company continues to prepare the Standalone Financial Statement on a going concern basis.

Our Report is not modified in respect of this matter.

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Emphasis of Matters

1. We draw attention to note no. 49 to the Ind AS financial statements in terms of which it has been reported that the Company has during the financial year ended 31 March 2022, ascertained that the previous method of charging depreciation on thermal power plants was based on presumption of applicability of depreciation rates as prescribed by CERC pursuant to Tariff Policy under the Electricity Act, 2003 which was incorrect since the rates prescribed by CERC were not applicable to projects commissioned under competitive bidding route and selling power on competitive basis. Accordingly, based on necessary accounting opinion obtained, the Company has restated depreciation with retrospective effect as per Part 'A' of Schedule II to Companies Act, 2013 ('the Act") by assessing the useful life of Property, Plant and Equipment in respect of thermal power plants through independent technical evaluation. The Company has thus provided for depreciation on straight line method over the useful life of the assets as determined through independent technical evaluation of useful life of assets. The residual value of the assets has been considered as prescribed in Part C of the Schedule II of the Act.

   The excess depreciation charged in earlier years has been restated by increasing the carrying value of assets of thermal power plants of the Company. Restatement impact on prior periods balance sheets and profit and loss is as per Note 49 referred above.

   Our report is not modified in respect of this matter.

2. We draw attention to note no. 52 to the Ind AS financial statements wherein it has been stated that during the financial year ended 31 March 2022 and even during the period subsequent to the year end, the Company continues to face financial constraints as explained in various notes to financial statements. The same has also been described in Note 39 to financial statements i.e., Going Concern.

   The account of the Company was classified as non performing asset (NPA) by its term loan and working capital lenders in December 2021 as the Company was not able to service its financial obligations due to cash flow constraints. Further, the Company has not been able to service its obligations towards the lenders subsequent to financial year ended 31 March 2022. Non servicing of debt obligations is an indicator for testing the assets of the Company for impairment provision.

   Accordingly, the Company has projected its future cash flows to be generated from its thermal power plants over the life of PPA. Based on such projected future cash flows, an impairment analysis was carried out in respect of the PPE. As per the impairment testing so conducted, the Company has accounted for impairment losses of Rs. 86,800.00 lakhs on PPE during the year ended 31 March 2022.

   The carrying value of PPE as on 31 March 2022 after considering the impact of impairment provision of Rs. 86,800 lakhs is Rs. 248,645.56 lakhs

   Our report is not modified in respect of this matter.

3. We draw attention to Note 37 of the Ind AS financial statements wherein it has been stated that during the financial year 2020-21, the Company approached its term lenders for implementation of flexible structuring scheme (5/25) to address liquidity issues for its 2x300 MW thermal power project in accordance with RBI Guidelines contained in RBI Master directions for NBFCs - Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated 01 September 2016 (Updated on 22 November 2019).

   The rupee term lenders of the Company approved the flexible structuring proposal. Despite the above flexible structuring, the Company continued to remain in stress till date. Consequentially, there were delays in repayment of principal and interest to all the Term Lenders from April 2021 to August 2021.

There have been defaults in repayment of loan instalments since September 2021, as detailed in note 37 and due to continuous default in payment of its financial obligations by the Company, the account of the Company has been classified as Non-performing Asset (NPA) by its lenders in December 2021.

In addition to above, in September 2021, the currency swap settlement contract to hedge foreign currency loan of USD 401.86 lakhs was terminated by Axis bank on its own. Consequentially, the risk on account of foreign exchange fluctuations on repayment of principal and interest is on the Company since there is no hedge on the foreign currency loan.

Our report is not modified in respect of this matter.

4. We draw attention to Note 28(i)(e) of the Ind AS financial statements wherein it has been stated that Chhattisgarh State Power Trading Company Limited (CSPTrdCo.) has demanded Liquidated Damages of Rs. 475 lakhs due to non-supply of 5% of net injection to CSPTrdCo during the period January 2016 to May 2017 because of delay in commissioning of project. The Company is contesting this demand based on the facts and relevant provisions of the PPA and has accordingly not made any provision towards this amount.

   Further, during the current year and in the past also, the Company was not able to deliver the 5% of net injection to CSPTrdCo as both the Units were not operational. However, CSPTrdCo has levied penalties of Rs. 3,428.35 (May 2017 to June 2020) on account of short supply. The Company has challenged the demand and against the above stated demand for penalty towards short supply of power raised by CSPTrdCo for the period upto March 2020, the Company had made a provision of Rs. 1,371.00 lakhs during the year ended 31 March 2020 and no additional provision has been made thereafter. CSPTrdCo has already deducted an amount of Rs. 315.00 lakhs from the payments made in the year 2020-21 and the Company has adjusted the same against the above stated provision for penalty. The Company will continue to explore the option of compensating this shortfall by supplying extra power in future. The final outcome of the above demand will be known only upon the settlement of the same with CSPTrdCo.

   Our report is not modified in respect of this matter.

5. We draw attention to Note 28(i)(f) of the Ind AS financial statements wherein it has been stated that the Company has not deposited electricity duty on auxiliary consumption with the State of Chhattisgarh. The Company has outstanding liability of Rs. 4,811.79 lakhs towards the same as at 31 March 2022. However, the Company has not made any provision for the interest amounting to Rs. 2,169.33 lakhs as per notice dated 23 June 2021 (for the period August 2016 to March 2021) received from the office of Chief Electrical Inspector and also not made any provision for interest for FY 2021-22 as well. The Company has made an application to Chief Electrical Inspector for waiver of interest demanded. In view of the above application, the Company is hopeful of getting the waiver of the interest demanded and has not made provision for the same.

   Our report is not modified in respect of this matter.

6. We draw attention to Note 28(i)(j) of the Ind AS financial statements wherein it has been stated that there is credit balance of Rs. 20,347.97 lakhs as at 31 March 2022 of BGR Energy Systems Limited (BGR), the EPC Contractor for the 2x300 MW TPP of the Company and China Western Power Corporation (CWPC).

   During the year ended 31 March 2019, the Company had invoked the Performance Bank Guarantees of Rs. 8,698.37 lakhs and Advance Bank Guarantees of Rs. 2,055.11 lakhs submitted by BGR, on account of non-fulfilment of performance obligations by BGR as per the terms of the EPC Contract. Out of the above, the Company had encashed Performance Bank Guarantee (PBG) of Rs. 8,698.37 lakhs during that year.

   Further, BGR has invoked arbitration as per the terms of EPC Contract and as a result of this, the Company and BGR have constituted an Arbitral Tribunal. BGR had filed its claim of Rs. 56,398.00 lakhs before Arbitrator. The Company filed its reply to the said claim and raised a counter claim of Rs. 280,905.00 lakhs plus USD 190.00 lakhs on 05 December 2018. The matter is pending before the Arbitral Tribunal for final arguments of the claims/ counter claims made by BGR and the Company.

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Pending the final outcome of the arbitration proceedings, the Company has disclosed the aforesaid amount under the head "Other non-current financial liabilities" under note 15 in the financial statements.

Our report is not modified in respect of this matter.

7. We draw attention to Note 29(a), (d) & (e) of the Ind AS financial statements wherein it has been stated that PTC/UP Discoms have made certain other deductions w.r.t matters pertaining to tariff year differences, rebate, amount deducted on account of capacity charges, penalty, differential energy charges etc. from the monthly / supplementary invoices raised by the Company. The Company has filed petition before Hon'ble Central Electricity Regulatory Commission (CERC) in respect of these matters and also certain other matters such as delay in payments of monthly/supplementary bills, failure to establish payment security mechanism, non- reimbursement of transmission charges, etc. The petition is currently pending before Hon'ble CERC.

   Our report is not modified in respect of this matter.

8. We draw attention to Note 32 read with Note 28(i)(k) of the Ind AS financial statements wherein it has been stated that Water Resource Department, Chhattisgarh (WRD) had allocated 19.00 MCM (Million Cu.M) p.a. water to the Company from Kurket River. The Company had deposited an amount of Rs. 3,463.35 lakhs as an advance towards construction of anicuts and barrage and had also deposited advance water cess of Rs. 166.72 lakhs. Permission was granted to the Company to draw 19.00 MCM of water per annum from the natural flow of Kurket River till completion or start of first storage of Anicuts / Baihamuda Barrage at a rate of Rs. 3.51 per Cu.M. The Company has received the bills of water charges on the basis of 90% of the 19.00 MCM p.a till 30 September 2019 and recorded the same accordingly. Thereafter, WRD has stopped the billing of water charges..

   Further, the Company had received the demand of Rs. 1,103.07 lakhs towards the balance construction and submergence cost of anicuts/ barrage, however, the Company has not deposited the same. CE, WRD also instructed EE, WRD to take the necessary action to collect the balance construction and submergence amount from the Company. He further instructed EE, WRD that in case the Company fails to make payment of Advance Water Cess (along with construction and submergence cost), the Company shall present its case to Chhattisgarh Government. No further correspondence has been received from EE/CE (WRD).

   As the Company is contesting water bills based on 90% of allotted capacity and has a deposit of Rs. 3,630.07 lakhs with WRD, the Company has not deposited the water charges and has therefore not recognised the interest, if any, thereon. Considering the above facts, the Company has shown amount of Rs. 3,685.05 lakhs outstanding as at 31 March 2022 (including provisions towards expenses for the period from October 2019 till March 2022) towards the water charges under the head "Trade payables" and has separately shown the above-mentioned advances of Rs. 3,630.07 lakhs as "Advance to suppliers" under the head "Other non-current assets" (refer note 6). Pending the settlement, the Company has not adjusted this advance with the liability.

   Our report is not modified in respect of this matter.

9. We draw attention to Note 28(i)(g) of the Ind AS financial statements wherein it has been stated that an appeal has been filed by Association of Power Producers before Supreme Court against final judgment and order dated 12 February 2020 passed by the National Green Tribunal (NGT Order). Pursuant to NGT Order, Central Pollution Control Board (CPCB) vide its letter dated 02 July 2020 has made demand of Rs. 148.80 lakhs by levying Environmental Compensation for non-utilization of 100% fly ash by the Company for the year 2018-19 and 2019-20.

   The Company has filed impleadment application and also an application inter-alia seeking ex-parte stay of the operation and implementation of the NGT Order and stay of the above stated demand notice in the Civil Appeal Diary No. 13336 of 2020 before Hon'ble Supreme Court. The Hon'ble Supreme Court vide its order dated 08 September 2020 held that there is a stay of recovery in pursuance of the NGT Order.

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The Hon'ble Supreme Court vide its order dated 10 May 2022 has set aside the order dated 12 February 2020 of NGT in view of MOEF notification dated 31 December 2021. The MOEF has vide notification dated 31 December 2021, formulated parameters for ash utilization from coal or lignite thermal power plants. The Paragraph A(5) of the said notification provides a timeline for the utilization of 'legacy ash', ie, unutilized accumulated ash which was stored before the publication of the notification. In view of foregoing, the Company has informed that the demands raised for period prior to 31 December 2021 are likely to be withdrawn.

Further, the NGT vide its order dated 15 February 2022 has directed the Company to deposit compensation of Rs. 182.40 lakhs with State Pollution Control Board as a compensation for the alleged violations/breaches of environmental conditions for disposal of fly ash by the Company based on report made by the Committee formed by NGT. The Company has filed civil appeal before Hon'ble Supreme Court against the NGT order dated 15 February 2022. As per the directions of Hon'ble Supreme Court, the Company has also filed its objections to the committee report. The matter is currently pending.

Our report is not modified in respect of this matter.

Information Other than the Ind AS Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the Ind AS financial statements and our auditors' report thereon.

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

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

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

Management's Responsibility for the Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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The Board of Directors is also responsible for overseeing the company's financial reporting process.

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

  If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Other Matters

We draw attention to Note 28 (i) (c) (ii) of the INDAS financial statements wherein it has been stated that the Goods & Service Tax (GST) registration held by the Company in the State of Haryana has been cancelled by the department during the year which resulted in non-filing of GST returns by the Company for the period Jan'22 to Mar'22 and thereafter. The Company has filed civil writ petition under articles 226/227 of Constitution of India against the Cancellation of said GST registration.

Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

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

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

   (c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   (e) On the basis of written representations received from the directors except Mr. Sanjay Jain as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act. In the absence of any written representation from Mr. Sanjay Jain, Director of the Company, we are unable to comment on his qualification to be appointed as a director of the Company in terms of Section 164(2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

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

   In our opinion and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

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

G C & COMPANY LLP
New Delhi
Chartered Accountants

(i) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its Ind AS financial statements (refer note 28 to 34 to the Ind AS financial statements);

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) The Company did not have any dues on account of Investor Education and Protection Fund.

(iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, during the year no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 55 (x) to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, during the year no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 55 (ix) to the financial statements); and

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

(v) The Company has neither declared nor paid any dividend during the year.

For **N G C & Company LLP**
Chartered Accountants
ICAI Firm Registration No.: 033499N/N500390

Raina Bajaj
Partner
Membership No.: 526726
UDIN: 22526726AYVGJP3071

N G C & COMPANY LLP New Delhi Chartered Accountants

Place: Gurugram
Date: 27 September 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure 'A' referred to in the Independent Auditor's Report to the Members of TRN Energy Private Limited ("the Company") for the year ended 31 March 2022, we report the following:

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible assets as at 31 March 2022.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipments are verified in a phased manner over a period of three years. According to that programme, the Company has physically verified certain assets during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed during physical verification of Property, Plant and Equipment.

(c) According to the information and explanations given to us and on the basis our examination of the records of the Company, 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), as disclosed in the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

(ii) (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management and, in our opinion, the coverage and procedures of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) The Company has been sanctioned working capital limits in excess of INR 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than those as set out below-

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Name of Bank	Quarter ended	Amount as per books of accounts	Amount as reported in the quarterly stock statements for calculation of drawing power	Differences
Axis Bank, Canara Bank & HDFC Bank	30-Jun-21	18,267.46	18,279.63	(12.17)
	30-Sep-21	10,106.84	9,948.97	157.87
	31-Dec-21	2,463.27	2,319.61	143.66
	31-Mar-22*	Nil	Nil	-

** The net working capital as per DP statement submitted to the lenders for 31 March 2022 as well as as per books of accounts were in negative figure. Therefore DP limit has been considered as Nil.*

(iii) According to the information and explanations given to us, the Company has not granted any loans, or provided advances in the nature of loans, or stood guarantee, or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the reporting under paragraph 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not granted any loans, made investments or provided any guarantees or securities during the year. Accordingly, the reporting under paragraph 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, are not applicable.

(vi) The Company is required to maintain the books of account pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to ensure whether they are adequate or complete.

(vii)(a) According to the information and explanations given to us the amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues, as applicable, have been deposited with substantial delays during the year by the Company with the appropriate authorities, except for following dues which are still payable:

Particulars	**Period to which the amount relates**	**Amount (in Rs. lakhs)**
Electricity Duty Payable*	February 2018 to March 2022	4,811.79
TDS Payable on Interest (including interest on TDS payable)	FY 19-20 & 20-21	1,143.43
GST Payable*	January 2022 to March 2022	29.63

**Excluding Interest*

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New Delhi
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According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable, except the following:

Particulars	Period to which the amount relates	Amount (in Rs. lakhs) (excluding interest)	Payment Date
Electricity Duty	February 2018 to September 2021	4,725.73	Not yet deposited
TDS on Interest	FY 19-20 & 20-21	869.52	Not yet deposited
GST	July 2021 to September 2021	4.36	25 April 2022

(b) According to the information and explanations given to us, there are no dues of Income Tax, Goods and Service Tax, Duty of Customs and Cess which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statute	Nature of dues	Amount (Rs. in lakhs)#	Amount paid (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	431.84	-	Assessment Year 2012-13	Delhi High Court
Central Goods and Services Tax Act, 2017	Goods & Service Tax	112.60	-	2015-16, 2016-17 & 2017-18)	Directorate general of GST
Employees' State Insurance Corporation	ESI	14,243.57		01 June 2016 to 31 March 2017	Chhattisgarh High Court

#Includes interest and penalties, wherever quantified.

(viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) (a) The Company has defaulted in repayment of loans to bank and NBFC's during the year. The details of such defaults are as under:

In Respect of Principal:

Name of term lenders	Principal Amount (Rs. in lakhs)	Due period	Payment period	Delay (in Days)
REC	150.98	Sep-21	Not yet paid	-
REC	150.98	Dec-21	Not yet paid	-
REC	150.98	Mar-22	Not yet paid	-
PFC	57.14	Apr-21	19 May 2021	34
PFC	114.29	July-21	12 October 2021	89

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PFC	114.29	Oct-21	Not yet paid	-
PFC	114.29	Jan-22	Not yet paid	-
PFC	114.29	Apr-22	Not yet paid	-
IIFCL(UK)	244.61	Mar-21	21 May 2021	51
IIFCL(UK)	322.15	Jun-21	28 September 2021	90
IIFCL(UK)	330.04	Sep-21	Not yet paid	-
IIFCL(UK)	380.83	Dec-21	Not yet paid	-
IIFCL(UK)	406.22	Mar-22	Not yet paid	-

In Respect of Interest:

Name of term lenders	Interest due but not paid (Rs. in lakhs)	Due period	Payment date	Delay (in Days)
REC	1,289.61	Apr-21	19 May 2021	19
REC	1,341.30	Jul-21	12 Oct 2021	73
REC	1461.33	Aug-21	13 Oct 2021	43
REC	333.33	Sep-21	12 Nov 2021	43
REC	9,928.68	Sept 21-Mar 22	Not yet paid	-
PFC	548.37	Mar-21	19 May 2021	65
PFC	531.06	Apr-21	19 May 2021	34
PFC	1,026.98	May-21	19 May 2021	4
PFC	1,064.15	Jun-21	24 Jun 2021	9
PFC	1,026.47	Jul-21	12 Oct 2021	89
PFC	1,060.69	Aug-21	13 Oct 2021	59
PFC	234.17	Sep-21	12 Oct 2021	27
PFC	7,010.68	Sept 21-Mar 22	Not yet paid	-
IIFCL (UK)	82.27	Apr-21	21 May 2021	21
IIFCL (UK)	74.97	May-21	30 Jun 2021	30
IIFCL (UK)	85.51	Jun-21	28 Sep 2021	90

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IIFCL (UK)	82.95	Jul-21	28 Oct 2021	89
IIFCL (UK)	74.26	Aug-21	28 Oct 2021	58
IIFCL (UK)	557.44	Sept 21-Mar 22	Not yet paid	-

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

(c) According to the information and explanations given to us, the Company has not obtained any term loan during the year. Accordingly, the reporting under clause 3 (ix) (c) of the order is not applicable.

(d) According to the information and explanations given to us, the Company has not raised any fund on short term basis. Accordingly, the reporting under clause 3 (ix) (d) of the order is not applicable.

(e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Accordingly, the reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) According to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, no whistleblower complaints have been received by the Company during the year.

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

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(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

(xv) In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has three CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

(xvii) The Company has incurred cash losses in the current and previous financial year amounting to Rs. 37,065.79 lakhs and 14,373.99 lakhs.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios (also refer note 51 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, material uncertainty exists which may cast a significant doubt on the Company's ability to continue as going concern. 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) Based on the examination of records of the Company and information and explanations given to us, due to losses incurred in previous years, the conditions and requirements of section 135 of the act is not applicable to the Company. Accordingly, reporting under clause 3(xx) (a) & (b) of the Order is not applicable to the Company.

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(xxi) The Company is not required to prepare consolidated financial statements as per the relevant provisions of the Companies Act, 2013. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **N G C & Company LLP**
Chartered Accountants
ICAI Firm Registration No.: 033499N/N500390

Raina Bajaj
Partner
Membership No.: 526726
UDIN: 22526726AYVGJP3078

Place: Gurugram
Date: 27 September 2022

N G C & COMPANY LLP
New Delhi
Chartered Accountants

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF TRN ENERGY PRIVATE LIMITED

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 TRN Energy Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditor's 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 prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls.

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 were established and maintained and whether 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 such 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 judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

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New Delhi
Chartered Accountants

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 the Ind AS 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 the Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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.

For **N G C & Company LLP**
Chartered Accountants
ICAI Firm Registration No.: 033499N/N500390

Raina Bajaj
Partner
Membership No.: 526726
UDIN: 22526726AYVGJP3071

N G C & COMPANY LLP
New Delhi
Chartered Accountants

Place: Gurugram
Date: 27 September 2022

TRN Energy Private Limited
Balance Sheet as at 31 March 2022
(All amounts are in Rupees lakhs, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment (including RoU assets)	3	248,645.56	344,345.27	353,305.54
(b) Capital work-in-progress	3	91.72	234.49	157.36
(c) Financial assets				
(i) Other financial assets	4	86.34	495.94	2,944.31
(d) Non-current tax assets (net)		222.13	1,367.35	1,240.46
(e) Deferred tax assets (net)	5	-	12,130.14	12,130.14
(f) Other non-current assets	6	3,630.07	3,797.93	3,760.52
Total non-current assets		**252,675.82**	**362,371.12**	**373,538.33**
(2) Current assets				
(a) Inventories	7	2,201.00	7,017.41	5,856.14
(b) Financial assets				
(i) Trade receivables	8	41,828.09	45,127.29	50,517.06
(ii) Cash and cash equivalents	9	111.23	812.95	105.23
(iii) Other bank balances	9	423.32	1,699.09	855.68
(iv) Other financial assets	10	1,727.78	20,311.10	29,888.93
(c) Other current assets	11	1,648.45	4,350.38	5,279.04
Total current assets		**47,939.87**	**79,318.22**	**92,502.08**
TOTAL ASSETS		**300,615.69**	**441,689.34**	**466,040.41**
EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	12	62,584.41	62,584.41	62,584.41
(b) Instruments entirely equity in nature	12	11,982.40	11,982.40	11,982.40
(c) Other equity	13	(215,979.00)	(69,481.38)	(45,944.26)
Total equity		**(141,412.19)**	**5,085.43**	**28,622.55**
(2) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	14	321,194.94	330,493.52	273,832.40
(ii) Other financial liabilities	15	37,838.67	37,173.14	28,968.09
(b) Provisions	16	141.44	144.93	224.68
Total non-current liabilities		359,175.05	367,811.59	303,025.17
(3) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	25,453.11	25,737.04	76,124.16
(ii) Trade and other payable	18			
- Total outstanding dues of micro enterprises and small enterprises		3,540.03	197.16	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		27,722.46	33,924.78	35,284.07
(iii) Other financial liabilities	19	19,978.17	3,365.57	19,156.48
(b) Other current liabilities	20	6,147.07	5,554.17	3,816.23
(c) Provisions	21	11.99	13.60	11.75
Total current liabilities		**82,852.83**	**68,792.32**	**134,392.69**
TOTAL EQUITY AND LIABILITIES		**300,615.69**	**441,689.34**	**466,040.41**
Significant accounting policies	2			

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached

For **N G C & Company LLP**
Chartered Accountants
ICAI Firm Registration No.: 033499N/N500390

Raina Bajaj
Partner
Membership No.: 526726
Place : Gurugram
Date : 27 September 2022

For and on behalf of the Board of Directors of
TRN Energy Private Limited

Sameer Hasmukhlal Darji
Managing Director and CFO
DIN: 03440265
Place : Gurugram
Date : 27 September 2022

Sanjay Jain
Director
DIN: 00364854
Place : Gurugram
Date : 27 September 2022

Vivek Jain
Company Secretary
PAN: ADIPJ5412E
Place : Gurugram
Date : 27 September 2022

TRN Energy Private Limited
Statement of profit and loss for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless otherwise stated)

		Note	For the year ended 31 March 2022	For the year ended 31 March 2021
	Income:			
I	Revenue from operations	22	22,638.72	73,741.50
II	Other income	23	3,122.88	329.19
III	**Total income (I+II)**		**25,761.60**	**74,070.69**
IV	**Expenses:**			
	Power, fuel and water charges		12,554.34	33,504.65
	Employee benefits expenses	24	1,364.75	1,392.61
	Finance costs	25	33,669.58	42,995.69
	Depreciation and amortisation	3	9,037.63	9,039.80
	Other expenses	26	16,703.08	10,802.77
	Total expenses		**73,329.38**	**97,735.52**
V	**Loss before exceptional items and tax (III-IV)**		**(47,567.78)**	**(23,664.83)**
VI	**Exceptional items (refer note 52)**		**(86,800.00)**	-
VII	**Loss before tax (V+VI)**		**(134,367.78)**	**(23,664.83)**
VIII	**Tax expense:**			
	Deferred tax charge	5	12,130.14	-
	Tax for earlier year w/off		2.93	0.11
IX	**Loss for the year (VII-VIII)**		**(146,500.85)**	**(23,664.94)**
X	**Other comprehensive income/(loss)**			
	Items that will not be reclassified subsequently to profit or loss			
	- Net actuarial gains/(loss) on defined benefit plans		3.23	127.82
			3.23	**127.82**
IX	**Total comprehensive income/(loss) for the year (VII+VIII)**		**(146,497.62)**	**(23,537.12)**
	Earnings/(loss) per equity share (Rs.)	27		
	- Basic		(23.41)	(3.76)
	- Diluted		(23.41)	(3.76)
	(Face value of Rs. 10 each)			
	Significant accounting policies	2		

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

As per our report of even date attached

For **N G C & Company LLP**
Chartered Accountants
ICAI Firm Registration No. : 033499N/ N500390

Raina Bajaj
Partner
Membership No.: 526726
Place : Gurugram
Date : 27 September 2022

N G C & COMPANY LLP New Delhi Chartered Accountants

For and on behalf of the Board of Directors of
TRN Energy Private Limited

Sameer Hasmukhlal Darji
Managing Director and CFO
DIN: 03440265
Place : Gurugram
Date : 27 September 2022

Sanjay Jain
Director
DIN: 00364854
Place : Gurugram
Date : 27 September 2022

TRN Energy Private Limited

Vivek Jain
Company Secretary
PAN: ADIPJ5412E
Place : Gurugram
Date : 27 September 2022

TRN Energy Private Limited

Statement of Cash Flow for the year ended 31 March 2022

(All amounts are in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
A) Cash flow from operating activities:		
Net loss before tax	(134,367.78)	(23,664.83)
Adjustment for -		
- Depreciation	9,037.63	9,039.80
- Impairment loss on property plant & equipments	86,800.00	-
- Unrealised exchange rate fluctuation	1,465.52	281.60
- Provision for expected credit loss/doubtful advances	1,235.62	-
- Interest income	(305.71)	(167.54)
- 0.01% non-cumulative redeemable preference shares	(312.11)	-
- Interest expense	33,669.58	42,995.69
Operating profit/(loss) before working capital changes	**(2,777.25)**	**28,484.72**
Adjustments for :		
(Decrease) in trade payables	(2,859.45)	(1,162.13)
Increase in other current liabilities	611.81	1,724.66
(Decrease)/Increase in long term and short term provisions	(1.87)	49.92
Decrease/(Increase) in inventories	4,816.41	(1,161.27)
Decrease in trade receivables	3,143.65	5,389.77
Decrease in other current and non-current assets	6,144.02	25,082.68
Cash flow from operations	**9,077.32**	**58,408.35**
Taxes refund /(paid) net	1,142.32	(127.01)
Net cash flow from operating activities (A)	**10,219.64**	**58,281.34**
B) Cash flow from investing activities:		
Purchase of property plant and equipment/ capital work in progress	(8.85)	(106.82)
Movement in fixed deposits	1,214.35	159.50
Movement in Deposit against DSRA	14,700.00	(14,700.00)
Interest income received	305.71	167.54
Net cash flow from investing activities (B)	**16,211.21**	**(14,479.78)**
C) Cash flow from financing activities:		
Repayments of secured loans	(1,157.53)	(10,773.10)
Proceeds from unsecured loans	-	165.00
Movement in cash credit and working capital demand loan	(9,602.99)	1,165.05
Interest paid	(16,372.05)	(33,650.79)
Net cash used in financing activities (C)	**(27,132.57)**	**(43,093.84)**
D) Net decrease in cash and cash equivalents (A+B+C)	(701.72)	707.72
E) Cash and cash equivalents as at the beginning of the year	812.95	105.23
F) Cash and cash equivalents as at the end of the year	**111.23**	**812.95**
Component of cash and cash equivalents (refer note 9)		
Balance with banks:		
- Current accounts	110.00	804.70
Cash on hand	1.23	8.25
	111.23	**812.95**

Change in liability arising from financing activities

Particulars	**Balance as at 01 April 2021**	**Cash flow**	**Adjustments***	**Balance as at 31 March 2022**
Borrowings-Non current (refer note 14)	330,493.52	(1,157.53)	(8,141.05)	321,194.94
Borrowings-Current (refer note 17)	25,737.04	(9,602.99)	9,319.06	25,453.11
	356,230.56	**(10,760.52)**	**1,178.01**	**346,648.05**

Particulars	**Balance as at 01 April 2020**	**Cash flow**	**Adjustments***	**Balance as at 31 March 2021**
Borrowings-Non current (refer note 14)	273,832.40	(10,608.10)	67,269.22	330,493.52
Borrowings-Current (refer note 17)	76,124.16	1,165.05	(51,552.17)	25,737.04
	349,956.56	**(9,443.05)**	**15,717.05**	**356,230.56**

* On account of foreign exchange adjustments, loan processing fees and unwinding of equity component of compound financial instruments, changes in current maturities, installments due but not paid, reclassification etc.

Note:

The cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Ind AS-7 on "Statements of Cash Flow' as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

As per our report of even date attached

For **N G C & Company LLP**
Chartered Accountants
ICAI Firm Registration No. : 033499N/N500390

N G C & COMPANY LLP
New Delhi
Chartered Accountants

Raina Bajaj
Partner
Membership No.: 526726
Place : Gurugram
Date : 27 September 2022

For and on behalf of the Board of Directors of
TRN Energy Private Limited

TRN Energy Private Limited

Sameer Hasmukhlal Darji
Managing Director and CFO
DIN: 03440265
Place : Gurugram
Date : 27 September 2022

Sanjay Jain
Director
DIN: 00364854
Place : Gurugram
Date : 27 September 2022

Vivek Jain
Company Secretary
PAN: ADIPJ5412E
Place : Gurugram
Date : 27 September 2022

TRN Energy Private Limited
Statement of Changes in Equity for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless otherwise stated)

a. **Equity share capital**

Particulars	Amount
Balance as at 01 April 2020	62,584.41
Changes during the year ended 31 March 2021	-
Balance as at 31 March 2021	62,584.41
Balance as at 01 April 2021	62,584.41
Changes during the year ended 31 March 2022	-
Balance as at 31 March 2022	62,584.41

b. **Instruments entirely equity in nature**

Particulars	Amount
Balance as at 01 April 2020	11,982.40
Changes during the year ended 31 March 2021	-
Balance as at 31 March 2021	11,982.40
Balance as at 01 April 2021	11,982.40
Changes during the year ended 31 March 2022	-
Balance as at 31 March 2022	11,982.40

c. **Other equity**

Particulars	Other equity (refer note 13)			Remeasurement of defined benefit obligations	Total
	Equity component of compound financial instruments	Securities premium account	Retained earnings		
Balance as at 01 April 2020	1,633.27	32.34	(57,972.84)	9.87	(56,297.36)
Impact of prior period errors (refer note 49)	-	-	10,353.10	-	10,353.10
Restated balance as at 01 April 2020	1,633.27	32.34	(47,619.74)	9.87	(45,944.26)
Loss for the year	-	-	(23,664.94)	-	(23,664.94)
Other comprehensive income/(loss) (net of tax)	-	-	-	127.82	127.82
Total comprehensive income/(loss) for the year	-	-	(23,664.94)	127.82	(23,537.12)
Balance as at 31 March 2021	1,633.27	32.34	(71,284.68)	137.69	(69,481.38)
Balance as at 01 April 2021	1,633.27	32.34	(71,284.68)	137.69	(69,481.38)
Loss for the year	-	-	(146,500.85)	-	(146,500.85)
Other comprehensive income/(loss) (net of tax)	-	-	-	3.23	3.23
Total comprehensive income/(loss) for the year	-	-	(146,500.85)	3.23	(146,497.62)
Balance as at 31 March 2022	1,633.27	32.34	(217,785.53)	140.92	(215,979.00)

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

As per our report of even date attached

For **N G C & Company LLP**
Chartered Accountants
ICAI Firm Registration No. : 033499N/ N500390

For and on behalf of the Board of Directors of
TRN Energy Private Limited

N G C & COMPANY LLP New Delhi Chartered Accountants

Raina Bajaj
Partner
Membership No.: 526726
Place : Gurugram
Date : 27 September 2022

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Place : Gurugram
Date : 27 September 2022

Vivek Jain
Company Secretary
PAN: ADIPJ5412E
Place : Gurugram
Date : 27 September 2022

TRN Energy Private Limited

1. Background

TRN Energy Private Limited, ('the Company') was incorporated on 17 November 2006 (CIN U40109DL2006PTC155618). The Company is domiciled in India, with its registered office situated at 18, Vasant Enclave, Rao Tula Ram Marg, New Delhi-110057.

The Company is engaged in the business of thermal power generation. First and second unit of its 2x300 MW Thermal Power Plant located at Nawapara, Raigarh, Chhattisgarh was commissioned on 19 August 2016 and 01 May 2017 respectively. A major part of the power generated is sold under the terms of long term Power Purchase Agreements (PPAs).

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation of financial statements

i) Statement of compliance

These Ind AS financial statements ("Financial Statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. In addition, the guidance notes / announcements issued by ICAI are also applied except where compliance with other statutory promulgation requires a different treatment.

ii) Historical cost convention

The financial statements have been prepared under historical cost convention on accrual basis except for some assets and liabilities which have been measured at fair value/amortised cost.

iii) Functional and presentation currency

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

iv) Current versus non-current classification

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

Assets:

An asset is treated as current when it satisfies any of the following criteria:
(1) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
(2) It is held primarily for the purpose of being traded;
(3) It is expected to be realised within 12 months after the reporting date; or
(4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

The Company classifies all other assets as non-current.

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New Delhi
Chartered Accountants

TRN Energy Private Limited

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:
(1) It is expected to be settled in the Company's normal operating cycle;
(2) It is held primarily for the purpose of being traded;
(3) It is due to be settled within 12 months after the reporting date; or
(4) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

b. Summary of significant accounting policies

i. Property, plant and equipment

(a) Initial recognition and measurement

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

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

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

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

(b) Subsequent costs

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

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit and Loss as incurred.

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TRN Energy Private Limited

(All amount are in Rupees lakhs, unless otherwise stated)

(c) Decommissioning costs

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

(d) Derecognition

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

(e) Depreciation

Depreciation is the systematic allocation of the depreciable amount of Property, Plant and Equipment (PPE) over its useful life. Depreciable amount for PPE is the cost of PPE less its estimated residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of right-of-use assets, over the lease period, if shorter. Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/ disposals is provided on a pro-rata basis up to the date preceding the date of deduction/disposal.

The Company has provided depreciation on a straight-line basis over the useful lives as prescribed in Schedule II to the Companies Act 2013 or as per useful life estimated on the basis of technical evaluation.

In case of Buildings, Factory Buildings, Plant & Machinery and Transmission Line, the Company is charging depreciation based on the useful life of an asset as determined by technical expert. Freehold land is not depreciated. With respect to other assets, depreciation is charged as provided in Schedule II to the Companies Act, 2013.

The estimated useful lives for main categories of property, plant and equipment are as under:

Class of assets	Useful life of assets
Building	Upto 60 years
Factory building	Upto 60 years
Plant and machinery	40 years
Furniture and fittings	10 years
Office equipment	5 years
Computer and data processing units	3 years
Motor vehicles	8-10 years
Transmission line	40 years

The estimated useful lives of assets, residual values and depreciation method are reviewed regularly and, when necessary, revised.

The Company believes that the useful lives as given above best represents the period over which the Company expects to use these assets. Hence the useful lives for some of the assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Also refer note 49 of "Disclosure of correction of prior period errors".

ii. Capital work in progress

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

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TRN Energy Private Limited

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

iii. Intangible assets

(a) Initial recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.
Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

(b) Derecognition

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

(c) Amortisation

Cost of software recognized as intangible asset, is amortized on straight line method over a period of legal right to use or 6 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use or life of the related asset, whichever is less.

iv. Financial Instruments

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

A. Financial assets

a. Initial recognition and measurement

On initial recognition, financial assets are recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the Statement of Profit and Loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

b. Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI (Fair value through other comprehensive income)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
(b) The asset's contractual cash flows represent SPPI.

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TRN Energy Private Limited

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

Debt instrument at FVTPL (Fair value through profit or loss)

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

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

c. Derecognition

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

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

d. Impairment of financial assets

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

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

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

B. Financial liabilities

a. Initial recognition and measurement

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

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TRN Energy Private Limited

b. Subsequent measurement

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

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

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

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

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

Borrowings

After initial recognition, borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

c. Derecognition

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

C. Derivative financial instruments

Initial recognition and subsequent measurement

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

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TRN Energy Private Limited

v. Inventories (valued at lower of cost and net realisable value)

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

A. Fuel for thermal power plants:

Value/cost of fuel for thermal power plants is computed on first in first out basis (FIFO).

B. Stores and spare parts:

Value/cost of stores and spare parts is computed on moving weighted average method.

vi. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and fixed deposits with banks with original maturity of three months or less, which are subject to an insignificant risk of changes in value.

vii. Revenue recognition

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised goods or services to the customers at an amount which the Company expects to be entitled in exchange for promised goods or services excluding amount collected on behalf of third parties (for example some taxes). Discounts given to customers are deducted from the amount of revenue.

The Company did not have any contract where the payment terms agreed by the parties had any explicit or implicit financing component.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

The Company's revenue arises from the following:

A. Power operations:

Revenue from sale of thermal power is recognised based on tariffs as per the terms of the Power Purchase Agreements, petition filed with regulatory authorities for tariff and arrangements entered into by the Company with respective customers.

B. Sale of coal:

Revenue from sale of coal is recognized when the customer obtains the control and the Company expects the amount to be entitled on transfer of goods. The amount of revenue is exclusive of duty and taxes and net of returns.

C. Other income:

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

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TRN Energy Private Limited

Late payment surcharge is charged from the customer as per the relevant contracts on the outstanding balance. Revenue in respect of late payment surcharge recoverable under the terms of the relevant contracts is recognised on actual realisation or on accrued basis on an assessment of certainty of realisation supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

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

Scrap is accounted for as and when sold.

viii. Expenditure:

Expenses are accounted on accrual basis.

ix. Employee benefits

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

Defined contribution plans:

A defined contribution plan i.e. provident fund is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Defined benefit plans:

A defined benefit plan i.e. gratuity, is a post-employment benefit plan.

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

The present value of the defined benefit obligation denominated in rupees. is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than rupees, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

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

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

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TRN Energy Private Limited *

Compensated absences:

Benefits under the Company's compensated absences scheme constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

x. Convertible preference shares

Ind AS 32 'Financial Instruments' defines an equity instrument as 'any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities'. The accounting definition of 'Equity' is principle based as compared to the legal definition of "Equity" or "shares", such that any contract that evidences residual interest in an entity's net asset is termed as 'Equity' irrespective of whether it is legally recognized as a "Share" or not.

Accordingly, all instruments (including convertible preference shares and convertible debentures) that meet the definition of 'Equity' as per Ind AS 32 and when they do not have any component of liability, are considered as having the nature of 'Equity' for the purpose of Ind AS Schedule III. Such instruments are termed as "Instruments entirely equity in nature'.

xi. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or development of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.
When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

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

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

xii. Foreign currency translation

Transactions and Balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively.

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TRN Energy Private Limited *

xiii. Leases

As lessee

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. The Company as a lessee assesses, the contract is, or contains, a lease if the contract involves:

a) the use of an identified asset,
b) the right to obtain substantially all the economic benefits from use of the identified asset, and
c) the right to direct the use of the identified asset.

Right of use assets ("ROU")

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

The right-of-use assets (it includes prepayment for all the future rentals) are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are also subject to impairment in accordance with Ind AS 36 "Impairment of assets".

xiv. Income Taxes

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

  Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

  - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss at the time of the transaction;

  - temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

  - taxable temporary differences arising on the initial recognition of goodwill.

N G C & COMPANY LLP Chartered Accountants New Delhi

TRN Energy Private Limited

Deferred tax assets (DTA) include Minimum Alternate 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.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

xv. Earnings per share

Basic earnings per equity share is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of equity shares outstanding during the year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per equity share adjust the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xvi. Provisions and contingent liabilities

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

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

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

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

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TRN Energy Private Limited

xvii. Impairment of non-financial assets

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

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

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

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

xviii. Critical estimates and judgements

The preparation of Financials Statements requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Recognition and estimates of tax expense including deferred tax – Note 2(b)(xiv) & 5
- Estimated impairment of financial assets and non-financial assets – Note 2(b)(iv) & (xvii)
- Assessment of useful life of property, plant and equipment and intangible asset – Note 2(b)(i) & (iii)
- Estimation of assets and obligations relating to employee benefits – Note 2(b)(ix) & 40
- Valuation of inventories – Note 2(b)(v) & 7
- Recognition and measurement of contingency: Key assumption about likelihood and magnitude of an outflow of resources – Note 2(b)(xvi) & 28
- Lease classification – Note 2(b)(xiii) & 46

xix. Measurement of fair values

A number of accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

The different levels of fair value have been defined below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and traded bonds that have quoted price.

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TRN Energy Private Limited

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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments. This level includes derivative MTM assets/liabilities.

There have been no transfers in either direction for the years ended 31 March 2022 and 31 March 2021.

Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments includes:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- the fair value of principal swaps is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

3 **Property, plant and equipment and capital work in progress**

a. **Property, plant and equipment (including RoU assets)**

Particulars	Tangible assets										
	Freehold land	Buildings	Factory building	Plant and machinery	Furniture and fittings	Office equipments	Computers and data processing units	Motor vehicles	Transmission line	Right of Use (RoU) Assets (refer note 46)	Total Assets
Gross carrying amount											
Balance as at 01 April 2020	2,787.15	6,073.23	22,905.57	337,924.00	201.98	92.33	249.85	79.91	12,274.94	806.91	383,395.87
Additions during the year	-	60.54	18.15	-	-	0.84	-	-	-	-	79.53
Balance as at 31 March 2021	2,787.15	6,133.77	22,923.72	337,924.00	201.98	93.17	249.85	79.91	12,274.94	806.91	383,475.40
Additions during the year	-	-	127.04	9.83	1.05	-	-	-	-	-	137.92
Balance as at 31 March 2022	2,787.15	6,133.77	23,050.76	337,933.83	203.03	93.17	249.85	79.91	12,274.94	806.91	383,613.32
Accumulated depreciation											
Restated balance as at 01 April 2020 *	-	459.78	1,428.36	26,691.16	72.43	73.50	234.19	43.21	1,054.45	33.25	30,090.33
Depreciation for the year	-	150.50	440.38	8,084.95	19.55	7.26	1.88	9.61	291.35	34.32	9,039.80
Balance as at 31 March 2021	-	610.28	1,868.74	34,776.11	91.98	80.76	236.07	52.82	1,345.80	67.57	39,130.13
Depreciation for the year	-	151.52	443.98	8,085.21	19.60	4.84	0.25	6.56	291.35	34.32	9,037.63
Recognition of Impairment loss on property, plant & equipments (refer note 52)	-	1,400.00	5,400.00	77,200.00	-	-	-	-	2,800.00	-	86,800.00
Balance as at 31 March 2022	-	2,161.80	7,712.72	120,061.32	111.58	85.60	236.32	59.38	4,437.15	101.89	134,967.76
Carrying amount (net)											
Balance as at 01 April 2020	2,787.15	5,613.45	21,477.21	311,232.84	129.55	18.83	15.66	36.70	11,220.49	773.66	353,305.54
Balance as at 31 March 2021	2,787.15	5,523.49	21,054.98	303,147.89	110.00	12.41	13.78	27.09	10,929.14	739.34	344,345.27
Balance as at 31 March 2022	2,787.15	3,971.97	15,338.04	217,872.51	91.45	7.57	13.53	20.53	7,837.79	705.02	248,645.56

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TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

b. Capital work in progress

As at 31 March, 2022

Particulars	Balance as at 01 April 2021	Additions during the year	Capitalization/ Adjustment during the year	Closing balance as at 31 March 2022
Capital work in progress	234.49	-	142.77	91.72
Total	**234.49**	-	**142.77**	**91.72**

As at 31 March, 2021

Particulars	Balance as at 01 April 2020	Additions during the year	Capitalization/ Adjustment during the year	Closing balance as at 31 March 2021
Capital work in progress	157.36	155.82	78.69	234.49
Total	**157.36**	**155.82**	**78.69**	**234.49**

(a) Ageing of capital work-in-progress is as below:

As at 31 March 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	91.72	-	91.72
Total	-	-	**91.72**	-	**91.72**

As at 31 March 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	102.72	40.05	-	-	142.77
Projects temporarily suspended	-	91.72	-	-	91.72
Total	**102.72**	**131.77**	-	-	**234.49**

(b) The expected completion of the amounts lying in capital work in progress which are delayed are as below.-

As at 31 March 2022

CWIP	To be completed in				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress					
Total	-	-	-	-	-
Projects temporarily suspended					
A Type Quarters					91.72
Total					**91.72**

As at 31 March 2021

CWIP	To be completed in				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress					
New Ash Dyke	119.04	-	-	-	119.04
Others	23.73	-	-	-	23.73
Total	**142.77**	-	-	-	**142.77**
Projects temporarily suspended					
A Type Quarters					91.72
Total					**234.49**

Notes:

(i) For assets pledged as security - refer note 14 & 17.

(ii) For capital commitment - refer note 28(ii).

(iii) * For Restated accummulated depreciation - refer note 49.

(iv) Title deeds of all the immovable properties (other than properties where Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(v) There is no revaluation of property, plant and equipment during the year.

(vi) There is no intangible assets under development as on 31 March 2022.

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TRN Energy Private Limited

4. Other financial assets (non-current)
(Unsecured, considered good unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Foreign exchange forward contract receivable	-	471.00	1,909.77
Security deposits	24.92	24.94	31.63
Deposits with banks maturing after 12 months (refer note 9)	61.42	-	1,002.91
	86.34	495.94	2,944.31

5. Deferred tax assets (net)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
(i) The balances comprises temporary differences attributable to the following:			
Deferred tax assets arising on account of			
-Unabsorbed depreciation and Carry forward losses	31,402.42	77,938.40	71,627.60
-Provision for gratuity	-	-	60.69
-Provision for compensated absences	-	-	21.93
-Other items	-	-	1,272.58
	31,402.42	**77,938.40**	**72,982.80**
Less: Deferred tax liability arising on account of			
-Property, plant and equipment	31,402.42	65,808.26	60,348.23
-Measurement of loan at amortised cost	-	-	504.43
	31,402.42	**65,808.26**	**60,852.66**
Deferred tax asset (net)	**-**	**12,130.14**	**12,130.14**

(ii) Movement in deferred tax balances

Particulars	Balance as at 01 April 2021	Recognised in Statement of profit and loss *	Recognised in OCI	Balance as at 31 March 2022
Deferred tax asset				
-Carry forward losses and unabsorbed depreciation	77,938.40	(46,535.98)	-	31,402.42
-Provisions and others	-	-	-	-
	77,938.40	(46,535.98)	-	31,402.42
Deferred tax liability				
-Property, plant and equipment	65,808.26	(34,405.84)	-	31,402.42
-Others	-	-	-	-
	65,808.26	(34,405.84)	-	31,402.42
Deferred tax assets (net)	**12,130.14**	**(12,130.14)**	-	-

Particulars	Balance as at 01 April 2020	Recognised in Statement of profit and loss *	Recognised in OCI	Balance as at 31 March 2021
Deferred tax asset				
-Carry forward losses and unabsorbed depreciation	71,627.60	6,310.80	-	77,938.40
-Provisions and others	1,355.20	(1,355.20)	-	-
	72,982.80	4,955.60	-	77,938.40
Deferred tax liability				
-Property, plant and equipment	60,348.23	5,460.03	-	65,808.26
-Others	504.43	(504.43)	-	-
	60,852.66	4,955.60	-	65,808.26
Deferred tax assets (net)	**12,130.14**	-	-	**12,130.14**

Note:

* Accumulated carry forward losses under income tax will expire after 8 years from the respective year and hence, in the year ended 31 March 2020, deferred tax asset (DTA) on the same had been recognised only to the extent that it was probable that future taxable profits would be available against which the carried forward losses could be set off. Therefore, based on projected future cash flows, DTA was recognised on carried forward losses to the extent of of Rs. 10,000 lakhs only and was not recognised on remaining carried forward losses of Rs. 26,071.97 lakhs as on 31 March 2020. However, therafter, considering the losses in the year ended 31 March 2021 and adhering to conservative principle of accounting, additional DTA on unsabsorbed depreciation, carried forward losses and other items was recognised during the year ended 31 March 2021 only to the extent of additional deferred tax liability (DTL). Similarly, in the year ended 31 March 2022, the Company has continued to adhere to the conservative principle of accounting and accordingly DTA has been retained in the year ended 31 March 2022 only to the extent of DTL and excess DTA, if any, has been fully reversed during the year ended 31 March 2022.

Refer note 49 for prior period adjustments.

N G S & COMPANY LLP Chartered Accountants New Delhi

TRN Energy Private Limited

6. Other non-current assets
(Unsecured, considered good unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Advance to supplier (refer note 32)	3,630.07	3,630.07	130.45
Capital advances - credit impaired	130.45	130.45	3,630.07
Less Provision for doubtful advances	130.45	-	-
Prepaid expenses	-	37.41	-
	3,630.07	**3,797.93**	**3,760.52**

7. Inventories
(As taken, valued and verified by the management)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Fuel for thermal power plant #	460.49	5,427.09	4,345.93
Store and spare parts	1,740.51	1,590.32	1,510.21
	2,201.00	**7,017.41**	**5,856.14**

Includes coal stock lying with third parties Rs. 274.89 lakhs (31 March 2021 : Rs. 2,431.61 lakhs, 31 March 2020 : Rs. 2,319.66 lakhs)

8. Trade receivable (refer note 43 for ageing analysis)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Trade receivables unsecured- considered good			
Receivable from related parties (refer note 42)	4.25	35.36	35.36
Others (refer notes 29 & 30)	41,823.84	45,091.93	50,481.70
Trade Receivables unsecured- which have significant increase in credit risk			
Trade receivables	155.55	-	-
Less: Provision for expected credit loss	155.55	-	-
	41,828.09	**45,127.29**	**50,517.06**

9. Cash and bank balances

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Cash and cash equivalents			
Balance with bank			
- Current accounts	110.00	804.70	98.05
Cash in hand	1.23	8.25	6.96
DD in hand	-	-	0.22
	111.23	812.95	105.23
Other bank balances*			
Deposits with banks maturing within 12 months	423.32	1,699.09	855.68
Deposits with banks maturing after 12 months	61.42	-	1,002.91
	484.74	1,699.09	1,858.59
Less: Amount disclosed under the head other non-current financial assets (refer note 4)	61.42	-	1,002.91
	423.32	**1,699.09**	**855.68**
	534.55	**2,512.04**	**960.91**
*** Breakup of Fixed deposits pledged**			
Held as margin money for bank guarantees	484.74	1,699.09	1,858.59

10. Other financial assets (current)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Transmission charges & Energy duty recoverable	53.49	4,749.29	8,811.62
Insurance claim recoverable (refer note 35)	810.31	-	-
Contract assets (refer note 30)	856.92	832.23	20,950.52
Deposit against DSRA (refer note 37)	-	14,700.00	-
Foreign exchange forward contract receivable	-	25.07	118.16
Interest accrued but not due	3.16	-	-
Other receivables	3.90	4.51	8.63
	1,727.78	**20,311.10**	**29,888.93**

11. Other current assets

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Advance for supply of goods	2,372.32	4,051.64	4,884.19
Less Provision for doubtful advances	949.66	-	-
Net advances	1,422.66	4,051.64	4,884.19
Advance to employees	0.78	0.72	0.66
Prepaid expenses	225.01	298.02	394.19
	1,648.45	**4,350.38**	**5,279.04**

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TRN Energy Private Limited

TRN Energy Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless otherwise stated)

12. Equity share capital and Instruments entirely equity in nature

	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount		
a) Authorised share capital						
Equity shares of Rs. 10 each	800,000,000	80,000.00	800,000,000	80,000.00	800,000,000	80,000.00
Preference share capital of Rs.10 each	200,000,000	20,000.00	200,000,000	20,000.00	200,000,000	20,000.00
		100,000.00		100,000.00		100,000
b) Issued, subscribed and fully paid-up share capital						
Equity shares of Rs 10 each	625,844,104	62,584.41	625,844,104	62,584.41	625,844,104	62,584.41
0.01% Non cumulative compulsorily convertible preference share of Rs 10 each	119,824,000	11,982.40	119,824,000	11,982.40	119,824,000	11,982.40
		74,566.81		74,566.81		74,566.81

c) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning of the year	625,844,104	62,584.41	625,844,104	62,584.41	625,844,104	62,584.41
Equity shares at the end of the year	625,844,104	62,584.41	625,844,104	62,584.41	625,844,104	62,584.41
Preference shares at the beginning of the year	119,824,000	11,982.40	119,824,000	11,982.40	119,824,000	11,982.40
Preference shares at the end of the year	119,824,000	11,982.40	119,824,000	11,982.40	119,824,000	11,982.40

d) Terms and rights attached to fully paid up shares:

i) The Company has only one class of equity shares, having a par value of Rs.10 per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is eligible to one vote per fully paid equity share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

ii) 0.01% Non cumulative compulsorily convertible preference share of Rs. 10 each have been issued in financial year ended 31 March 2017. The said shares are to be compulsorily and automatically converted into 1 fully paid up equity shares of Rs 10 each on 31 December 2022

e) Shares held by holding company / ultimate holding company.

	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020	
	No. of shares	% of shares held	No. of shares	% of shares held	No. of shares	% of shares held
Equity shares of Rs.10 each, fully paid up held by:						
ACB (India) Power Limited, the holding company (including 2 equity shares (previous year 2 equity shares) held through nominee share holders)	463,124,637	74.00%	463,124,637	74.00%	463,124,637	74.00%
0.01% Non cumulative compulsorily convertible preference share of Rs.10 each held by:						
ACB (India) Power Limited, the holding company	88,669,760	74.00%	88,669,760	74.00%	88,669,760	74.00%

f) Details of share holders holdings more than 5% shares in the Company:-

	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020	
	No. of shares	% of shares held	No. of shares	% of shares held	No. of shares	% of shares held
Equity Shares of Rs. 10 each						
ACB (India) Power Limited, the holding company*	463,124,637	74.00%	463,124,637	74.00%	463,124,637	74.00%
Atma Securities Private Limited	73,238,016	11.70%	73,238,016	11.70%	73,238,016	11.70%
Jaisri Properties and Exports Private Limited	53,333,871	8.52%	53,333,871	8.52%	53,333,871	8.52%
0.01% Non cumulative compulsorily convertible preference share of Rs. 10 each						
ACB (India) Power Limited, the holding company	88,669,760	74.00%	88,669,760	74.00%	88,669,760	74.00%
Tejswi Impex Private Limited	31,154,240	26.00%	31,154,240	26.00%	31,154,240	26.00%

*Includes 2 shares held by Nominee shareholders of ACB (India) Power Limited

N G C & COMPANY LLP * Chartered Accountants * New Delhi

TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

g) **Details of shares held by promoters of the Company:-**

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter name	Shares held as at 31 March 2022		Shares held as at 31 March 2021		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Equity Shares of Rs. 10 each					
ACB (India) Power Limited	463,124,635	74.00%	463,124,635	74.00%	-
Atma Securities Private Limited	73,238,016	11.70%	73,238,016	11.70%	-
Jaisri Properties and Exports Private Limited	53,333,871	8.52%	53,333,871	8.52%	-
Tejswi Impex Private Limited	14,710,000	2.35%	14,710,000	2.35%	-
Monika Jain	14,439,677	2.31%	14,439,677	2.31%	-
Sanjay Jain	6,997,903	1.12%	6,997,903	1.12%	-
Rudra Sen Sindhu*	1	0.00%	1	0.00%	-
Vir Sen Sindhu*	1	0.00%	1	0.00%	-
	625,844,104	100.00%	625,844,104	100.00%	-

*Nominee shareholders of ACB (India) Power Limited

0.01% Non cumulative compulsorily convertible preference share of Rs. 10 each					
ACB (India) Power Limited	88,669,760	74.00%	88,669,760	74.00%	-
Tejswi Impex Private Limited	31,154,240	26.00%	31,154,240	26.00%	-
	119,824,000	100.00%	119,824,000	100.00%	-

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

Promoter name	Shares held as at 31 March 2021		Shares held as at 31 March 2020		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Equity Shares of Rs. 10 each					
ACB (India) Power Limited	463,124,635	74.00%	463,124,635	74.00%	-
Atma Securities Private Limited	73,238,016	11.70%	73,238,016	11.70%	-
Jaisri Properties and Exports Private Limited	53,333,871	8.52%	53,333,871	8.52%	-
Tejswi Impex Private Limited	14,710,000	2.35%	14,710,000	2.35%	-
Monika Jain	14,439,677	2.31%	14,439,677	2.31%	-
Sanjay Jain	6,997,903	1.12%	6,997,903	1.12%	-
Rudra Sen Sindhu*	1	0.00%	1	0.00%	-
Vir Sen Sindhu*	1	0.00%	1	0.00%	-
	625,844,104	100.00%	625,844,104	100.00%	-

*Nominee shareholders of ACB (India) Power Limited

0.01% Non cumulative compulsorily convertible preference share of Rs. 10 each					
ACB (India) Power Limited	88,669,760	74.00%	88,669,760	74.00%	-
Tejswi Impex Private Limited	31,154,240	26.00%	31,154,240	26.00%	-
	119,824,000	100.00%	119,824,000	100.00%	-

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TRN Energy Private Limited

13. Other equity

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Equity component of compound financial instruments			
Opening balance of 0.01% non cumulative redeemable preference shares	1,633.27	1,633.27	1,633.27
Addition	-	-	-
Closing balance	1,633.27	1,633.27	1,633.27
Securities premium			
Opening balance	32.34	32.34	32.34
Addition	-	-	-
Closing balance	32.34	32.34	32.34
The Company has used Securities premium account to record the premium on issue of shares.			
Surplus in the Statement of Profit and Loss			
Opening balance	(71,146.99)	(47,609.87)	(57,962.97)
Add: Prior period adjustments (refer note 49)	-	-	10,353.10
Add : Total comprehensive income/(loss) for the year	(146,497.62)	(23,537.12)	-
Closing balance	(217,644.61)	(71,146.99)	(47,609.87)
	(215,979.00)	(69,481.38)	(45,944.26)

14. Borrowings (non -current)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Secured term loans (refer notes 37)			
- From banks/ financial institution *	292,913.81	293,088.96	288,647.90
Unsecured loan			
Liability component of compound financial instrument			
0.01% non cumulative redeemable preference shares **	4,259.87	4,274.43	3,994.79
Inter corporate deposits (refer note 33)			
- From related party (refer note 42)	35,873.03	35,873.03	-
- From others	2,163.95	1,123.95	-
	335,210.66	334,360.37	292,642.69
Less: Current maturities amount and instalment due but not paid amount disclosed under the head "Current borrowings" (refer note 17)	13,005.63	2,646.58	17,366.76
Less: Loan processing fees pending amortisation	1,010.09	1,220.27	1,443.53
	321,194.94	330,493.52	273,832.40
	321,194.94	330,493.52	273,832.40

Footnotes:

Nature of security	Terms of repayment of principal and interest
* **(a) Secured term loans from banks/ financial institution**	
(i) Term loan amounting to Rs. 113,870.29 lakhs (31 March 2021 Rs. 114,041.72 lakhs) from Power Finance Corporation of India Limited (PFC) is secured by first pari passu charge by way of mortgage/hypothecation of all movable/immovable properties and assets, all book debts commission and other revenues, intangible assets, cash flows (present and future), assignment on project documents of the Company. Further, along with other term lenders, pledge of 100% shareholding of the Company held by sponsors/shareholders to the project till currency of facility. Furthermore, it is secured by corporate guarantee of ACB (India) Limited as interim security till two external credit ratings are obtained with minimum credit rating of BBB+ on the facility. Additionally, the facility was secured by personal guarantee of Mr. Sanjay Jain till the creation of DSRA which was created on 31.03.2021. Furthermore, it is also secured by Corporate Guarantee of ACB (India) Limited for infusion of funds in lieu of any shortfall in debt service obligations.	Post flexible structuring, the loan is repayable in 71 structured quarterly instalments starting from January 2021 along with interest @ 10.50% per annum. However, in the event of default in payment of interest and principal obligation, the lender can charge additional interest and also levy liquidated damages in accordance with facility agreement.
(ii) Term loan amounting to Rs. 150,407.31 lakhs (31 March 2021 Rs. 150,829.53 lakhs) from REC Limited is secured by first pari passu charge by way of mortgage/hypothecation of all movable/immovable properties and assets, all book debts commission and other revenues, intangible assets, cash flows (present and future), assignment on project documents of the Company. Further, along with other term lenders, pledge of 100% shareholding of the Company held by sponsors/shareholders to the project till currency of facility. Furthermore, it is secured by corporate guarantee of ACB (India) Limited as interim security till two external credit ratings are obtained with minimum credit rating of BBB+ on the facility. Additionally, the term loan was secured by personal guarantee of Mr. Sanjay Jain till the creation of DSRA which was created on 31.03.2021. Also, it is also secured by Corporate Guarantee of ACB (India) Limited for infusion of funds in lieu of any shortfall in debt service obligations.	Post flexible structuring, the loan is repayable in 71 structured quarterly instalments starting from December 2020 along with interest @ 10.50% per annum. However, in the event of default in payment of interest and principal obligation, the lender can charge additional interest and also levy liquidated damages in accordance with facility agreement.

G C & COMPANY LLP, New Delhi, Chartered Accountants

TRN Energy Private Limited

(iii) Term loans amounting to Rs. 28,636.21 lakhs (31 March 2021 Rs. 28,217.71 lakhs) from IIFC (UK) being ECB facility is secured by first pari passu charge by way of mortgage/hypothecation of all movable/immovable properties and assets, all book debts commission and other revenues, intangible assets, cash flows (present and future), assignment on project documents of the Company. Further, along with other term lenders, pledge of 100% shareholding of the Company held by sponsors/shareholders to the project till currency of facility. Furthermore, it is secured by corporate guarantee of ACB (India) Limited as interim security till two external credit ratings are obtained with minimum credit rating of BBB+ on the facility. Additionally, the term loan was secured by personal guarantee of Mr. Sanjay Jain till the creation of DSRA which was created on 31.03.2021. Also, it is also secured by Corporate Guarantee of ACB (India) Limited for infusion of funds in lieu of any shortfall in debt service obligations. ECB loan is repayable in 52 structured quarterly instalments starting from June 2017 along with the interest rate of 6 months LIBOR plus 3% which is ranging @ 9.34% to 11.70% per annum. However, in the event of default in payment of interest and principal obligation, the lender can charge additional interest and also levy liquidated damages in accordance with facility agreement.

** **(b) 0.01% Non Cumulative Redeemable Preference Shares (RPS)**

0.01% non cumulative preference shares were redeemable at par at Rs 10 each in five equal instalments beginning from the end of 4th year (i.e., December 2021) till the end of 8th year (i.e., December 2025). The terms of repayment of the said RPS have been subsequently revised and now are redeemable at par at Rs 10 each in three equal instalments beginning from the end of 6th year (i.e., December 2023) till the end of 8th year (i.e., December 2025).

Additional disclosure as per Schedule III of The Companies Act, 2013

(i) The Company has not been declared as wilful defaulter by bank or financial institution or any other lender.
(ii) The company has defaulted in the payment of certain borrowings and interest. Refer note 37.
(iii) The Company has not borrowed any amount from banks and financial institutions during the current year

15. Other financial liabilities (non-current)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Retention money (refer note 28(i)(j))	20,347.97	19,864.84	20,269.72
Recovery on account of encashment of contract bank guarantees (pending settlement of claims (refer note 28(i)(j))	8,698.37	8,698.37	8,698.37
Interest accrued but not due on borrowings (refer note 33)	8,792.33	8,609.93	-
	37,838.67	**37,173.14**	**28,968.09**

16. Provisions (non-current)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Provision for employee benefits (refer note 40)			
- Provision for gratuity	93.53	90.09	171.66
- Provision for compensated absences	47.91	54.84	53.02
	141.44	144.93	224.68

17. Borrowings (current)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Secured loans from banks* (refer notes 37)			
Term loan - WCDL	-	8,099.72	9,300.00
Cash credits from banks (repayable on demand)	12,447.47	13,757.90	11,585.41
Funded interest term loan	-	192.84	-
Instalments due of long term borrowings (refer note 14 & 37)	1,798.61	245.17	5,888.55
Current maturities of long term borrowings (refer note 14)	11,207.03	2,401.41	11,478.21
Unsecured loans from others			
Inter corporate deposits (refer note 33)			
- From related parties	-	-	35,708.04
- From others	-	1,040.00	2,163.95
	25,453.11	**25,737.04**	**76,124.16**

N.G.C & COMPANY LLP New Delhi Chartered Accountants

TRN Energy Private Limited

Footnotes:

Nature of security	Terms of repayment of principal and interest
* **Secured loans from banks** Working capital demand loans (WCDL) and cash credit amounting to Rs. 12,447.47 lakhs (31 March 2021 Rs. 21,857.62 lakhs) is secured by first pari passu charge by way of mortgage/ hypothecation of all movable/immovable properties and assets, all book debts commission and other revenues, intangible assets, cash flows (present and future), assignment on project documents of the Company. Further, the facilities were secured by the guarantees of sponsors to the Project. However, a few shareholders have raised their objection to the very existence of their personal/corporate guarantees for the borrower and have conveyed the same to lenders	**Secured loans from banks** Repayable on demand with a monthly interest @ ranging from 10.50% to 12.50% p.a

Refer note 50 for disclosure of stock statements

18. Trade and other payables* (refer note 44 for ageing analysis)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Outstanding dues of Micro enterprises and small enterprises (refer note 28(i)(h)&(i))	3,540.03	197.16	-
Outstanding dues of creditors other than Micro enterprises and small enterprises	27,722.46	33,924.78	35,284.07
	31,262.49	**34,121.94**	**35,284.07**
* Includes dues to related parties (refer note 42)	17,166.38	17,181.21	16,465.34

Disclosure relating to Micro, small and medium enterprises :
Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company in respective years regarding the status of registration of such vendors under the said Act. In certain cases, some vendors had not submitted information w.r.t their MSME registration in a previous year and have submitted the same in the current years. Therefore, the current year dues have been presented accordingly. The required disclosures are given below

	31 March 2022	31 March 2021	01 April 2020
(a) The amount remaining unpaid to any supplier at the end of the year			
- Principal amount	3,540.03	197.16	-
- Interest thereon	-	-	-
(b) The amount of interest paid under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), along with the amounts of the payment made beyond the appointed day during the year	-	-	-
(c) The 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) The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-	-

19. Other financial liabilities (current)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Interest accrued and due on borrowings (refer note 37)	17,496.81	686.42	8,699.31
Interest accrued but not due on borrowings (refer note 33)	528.85	731.85	8,546.43
Retention money/security deposits	416.82	423.78	422.40
Capital creditors	1,378.18	1,384.92	1,336.46
Dues to employees	157.51	138.60	151.88
	19,978.17	**3,365.57**	**19,156.48**

20. Other current liabilities

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Statutory dues payable (refer note 28(i)(f) & 33)	6,146.00	5,550.25	3,807.98
Other current liabilities	1.07	3.92	8.25
	6,147.07	**5,554.17**	**3,816.23**

21. Provisions (current)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Provision for employee benefits (refer note 40)			
- Provision for gratuity	2.84	3.52	2.01
- Provision for compensated absences	9.15	10.08	9.74
	11.99	**13.60**	**11.75**

N G C & COMPANY LLP * Chartered Accountants * New Delhi

TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

22. Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products		
Sale of thermal power (refer notes 29 & 30)	22,638.72	73,741.50
	22,638.72	**73,741.50**

23. Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income on financial assets measured at amortised cost:-		
Interest from bank	164.26	108.48
Interest from customer (refer note 30)	2,497.05	139.29
Interest from others	141.45	59.06
Other non operating income:-		
Rent income	2.82	4.00
0.01% non-cumulative redeemable preference shares	312.11	-
Miscellaneous income	5.19	18.36
	3,122.88	**329.19**

24. Employee benefits expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	1,220.81	1,262.56
Contribution to provident and other funds (refer note 40(a))	64.10	68.42
Staff welfare expenses	79.84	61.63
	1,364.75	1,392.61

25. Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expenses from financial liabilities measured at amortised cost		
Interest on term loans (refer note 37)	31,132.82	36,019.31
Interest on cash credits/ working capital (refer note 37)	1,690.03	2,219.18
Interest on inter corporate deposits (refer note 33)	-	3,863.56
Unwinding of 0.01% non-cumulative redeemable preference shares	297.56	279.64
Other borrowing cost		
Bank and other charges	305.96	362.96
Amortisation of loan processing fees	243.21	251.04
	33,669.58	**42,995.69**

N G C & COMPANY LLP * Chartered Accountants * New Delhi

TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

26. Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Repair, running and maintenance:		
- Plant and machinery	1,549.96	1,586.56
- Building	11.18	18.03
- Others	104.88	63.56
Deductions on account of short supply of power (refer notes 28(i)(e) and 29(b))	7,200.38	3,096.34
Revenue from sale of power earlier recognised now written off (refer note 30)	1,511.17	3,095.78
Provision for expected credit loss/doubtful advances	1,235.62	-
Foreign exchange loss (net)	1,457.85	281.92
Rates, taxes and fees	480.96	920.83
Insurance	434.17	459.81
Legal and professional fees *	483.10	603.51
Transmission charges	1,726.32	183.72
Ash disposal expenses	108.52	96.73
Security expenses	74.19	83.25
Rent (refer note 46(iii))	63.84	63.84
Travelling and conveyance	45.85	74.07
Communication expenses	4.11	1.79
Miscellaneous expenses	210.98	173.03
	16,703.08	**10,802.77**

* Includes statutory auditor's remuneration (excluding taxes) as under:		
Statutory audit fees	4.86	3.65
Tax audit fees	3.50	2.63
	8.36	**6.28**

27. Earnings/(loss) per equity share

	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit/(Loss) attributable to equity holders	(146,500.85)	(23,664.94)
Total comprehensive income/(loss) attributable to equity share holders	(146,497.62)	(23,537.12)
Number of equity shares of Rs. 10 each at the beginning of the year	625,844,104	625,844,104
Number of equity shares of Rs. 10 each at the end of the year	625,844,104	625,844,104
Weighted average number of equity shares of Rs. 10 each at the end of the year for calculation of basic earnings per share	625,844,104	625,844,104
Weighted average number of equity shares of Rs. 10 each at the end of the year for calculation of diluted earnings per share	625,844,104	625,844,104
Basic earnings per share (in Rs.) - on loss	(23.41)	(3.78)
Diluted earnings per share (in Rs.) - on loss	(23.41)	(3.78)
Basic earnings per share (in Rs.) - on Total comprehensive income/(loss)	(23.41)	(3.76)
Diluted earnings per share (in Rs.) - on Total comprehensive income/(loss)	(23.41)	(3.76)
Nominal value per share (Rs.)	10.00	10.00

N G C & COMPANY LLP * Chartered Accountants * New Delhi

TRN Energy Private Limited

28. Contingent liabilities, claims against the Company not acknowledged as debts, capital commitments etc:-

(i) Contingent liabilities, claims against the Company not acknowledged as debts:

a. i. For the Assessment year 2012-13, the Assistant Commissioner of Income Tax ("ACIT") had filed an appeal before Income Tax Appellate Tribunal (ITAT) against the order of Commissioner of Income Tax (Appeals), wherein additions made by the ACIT amounting to Rs. 1,063.50 lakhs (resulting demand of Rs. 431.84 lakhs) was disallowed. The ACIT appeal was dismissed by ITAT in favour of the Company vide order dated 01 January 2018. Against the order of ITAT, the Income Tax Department has filed an appeal before the Delhi High Court and the captioned matter before the Delhi High Court stands adjourned to 15 December 2022.

ii. The Assistant Commissioner of Income Tax ("ACIT") has disallowed Rs. 20.16 lakhs pursuant to the assessment order dated 30 November 2019 u/s 143(3) of Income Tax Act, 1961 for the AY 2017-18. An appeal has been filed against the same before Commissioner of Income Tax (Appeals) which has been heard by order dated 31 August 2020 and the appeal has been allowed.

iii. The Assistant Commissioner of Income Tax ("ACIT") has disallowed Rs. 1.24 lakhs pursuant to the assessment order dated 20 May 2021 u/s 143(3) of Income Tax Act, 1961 for the AY 2018-19. An appeal has been filed against the same before Commissioner of Income Tax (Appeals) which is yet to be heard.

b. Proceedings under section 276 B of the Income Tax Act, 1961 have been initiated by Income Tax Department during assessment of tax deducted at source (TDS) for the financial year 2018-19 on account of delay in deposition of TDS during the said period. The department has raised show cause notice dated 18 April 2022 to various concerned persons as to why prosecutions u/s 276 of the Act should not be initiated against such persons. After submission of replies by the company and concerned persons, one of the directors has been confirmed as responsible person under the Act for such proceedings by the department vide its order dated 12 July 2022. The proceedings in respect of the said matter are currently in progress.

c. i. The Company has received show cause notice (SCN) dated 20 April 2020 from Directorate General of Goods and Services Tax Intelligence stating that why a demand of Rs. 112.60 lakhs towards service tax along with penalty and interest for the period 2015-16 to 2017-18 (upto June 2017) should not be raised with respect to the service tax under reverse charge mechanism on certain services received by the Company from outside India. The Company is contesting this based on the facts and relevant provisions of law and has accordingly not made any provision towards this amount.

ii. TRN has filed civil writ petition under articles 226/227 of Constitution of India for issuance of a writ, order or direction, thereby quashing the impugned order dated 28 June 2022 passed by Appellate Authority, Faridabad under section 107 of the Haryana Goods & Services Tax Act, 2017 and order dated 03 January 2022 passed by Excise & Taxation Officer-cum-Proper Officer, Sales Tax, Gurugram cancelling the GST registration held byTRN, which is totally against the provision of the Haryana Goods & Services Tax Act, 2017 and further for issuance of an interim direction directing the GST authority to keep open the GST site so as to enable the Company to continue its activities by filing the GST returns. The writ petition is listed on 20 September 2022 for admission.

d. The Company has received an order dated 07 July 2020 from Employees' State Insurance Corporation (ESIC), Raipur raising a demand of Rs. 14,243.57 lakhs towards ESI contribution for the period 01 June 2016 to 31 March 2017. The Company has filed Writ Petition (Labour) before Chhattisgarh High Court for quashing the demand raised, as the Company firmly believes that the said demand is untenable in nature and not based on the facts of the case. Further, Chhattisgarh High Court has granted a stay on this demand. Accordingly, the Company has not recognised any provision against such demand.

N G C & COMPANY LLP * Chartered Accountants * New Delhi

TRN Energy Private Limited

ESIC has also filed complaint against the Company and its Managing Director under section 85(g) of the Employee State Insurance Act, 1948 for non-compliance with the various provisions of the ESI Act and Regulations made there under. Labour court has issued summons dated 16 February 2021 to the Company. The matter is currently pending.

e. (i) The Company has entered into a PPA dated 26 May 2015 with Chattisgarh State Power Trading Company Limited (CSPTrdCo.) for supply of 5% of net injection to CSPTrdCo w.e.f. 01 January 2016 i.e original scheduled COD of 1st Unit. However, commissioning of the 1st Unit of the plant was achieved on 01 May 2017 due to the delays which were beyond the control of the Company. As per the provisions of the said PPA, the Company had offered to supply the power from alternate source but the CSPTrsdCo. did not take the power as offered by the Company. Despite the above, CSPTrdCo has demanded Liquidated Damages of Rs. 475.00 lakhs. The Company is contesting this demand based on the facts and relevant provisions of the PPA and has accordingly not made any provisions towards this amount.

(ii) During the current year and in the past also, the Company was not able to deliver the 5% of net injection to CSPTrdCo as both the Units were not operational. Therefore, the Company had requested the CSPTrdCo to allow the Company to compensate the shortfall in the future periods. However, CSPTrdCo has levied penalties of Rs. 1,550.02 lakhs for the period May 2017 to October 2017, Rs. 267.62 lakhs for the year 2018-19, Rs. 1,296.68 lakhs for the year 2019-20 and Rs. 314.03 lakhs for the year 2020-21 (upto June 2020) on account of short supply. The Company has challenged the demand and against the above stated demand for penalty towards short supply of power raised by CSPTrdCo for the period upto March 2020, the Company had made a provision of Rs. 1,371.00 lakhs during the year ended 31 March 2020 and no additional provision has been made thereafter. CSPTrdCo has already deducted an amount of Rs. 315.00 lakhs from the payments made in the year 2020-21 and the Company has adjusted the same against the above stated provision for penalty. The Company will continue to explore the option of compensating this shortfall by supplying extra power in future. The final outcome of the above demand will be known only upon the settlement of the same with CSPTrdCo.

f. The Company has to deposit electricity duty on auxiliary consumption with the State of Chhattisgarh on monthly basis. The Company has not been able to deposit the same due to financial constraints and lack of sufficient working capital in the Company. The Company has charged the electricity duty to the Statement of Profit and Loss and has outstanding liability of Rs. 4,811.79 lakhs towards the same as at 31 March 2022 (Rs. 4,372.82 lakhs as at 31 March 2021). However, the Company has not made any provision for the interest amounting to Rs. 2,169.33 lakhs as per notice dated 23 June 2021 (for the period from August 2016 to March 2021) received from the office of Chief Electrical Inspector and also not made any provision for interest for FY 2021-22. The Company has applied to Govt. of Chhattisgarh in August 2021 seeking relief on the grounds that the policy w.r.t. electricity duty requires payment of penal interest upto 24% which needs to be reviewed and waived off keeping in view the poor financial situation of the Company and financial gains accrued to the Chhattisgarh Govt. on account of supply of 5% power at variable cost for the life of the project. In view of the above application, the Company is hopeful of getting the waiver of the interest demanded and has not made provision for the same.

g. An appeal has been filed by Association of Power Producers before Supreme Court against final judgment and order dated 12 February 2020 passed by the National Green Tribunal (NGT Order). Pursuant to NGT Order, Central Pollution Control Board (CPCB) vide its letter dated 02 July 2020 has made demand of Rs. 148.80 lakhs by levying Environmental Compensation for non-utilisation of 100% fly ash by the Company for the year 2018-19 and 2019-20.

N G C & COMPANY LLP Chartered Accountants New Delhi

TRN Energy Private Limited

The Company has filed impleadment application and also an application inter-alia seeking ex-parte stay of the operation and implementation of the NGT Order and stay of the above stated demand notice in the Civil Appeal Diary No. 13336 of 2020 before Hon'ble Supreme Court. The Hon'ble Supreme Court vide its order dated 08 September 2020 held that there is a stay of recovery in pursuance of the NGT Order.

The Hon'ble Supreme Court vide its order dated 10 May 2022 had set aside the order dated 12 February 2020 of NGT in view of MOEF notification dated 31 December 2021. The MOEF has vide notification dated 31 December 2021, formulated parameters for ash utilization from coal or lignite thermal power plants. The Paragraph A(5) of the said notification provides a timeline for the utilization of 'legacy ash', ie, unutilized accumulated ash which was stored before the publication of the notification. In view of foregoing, the demands raised for period prior to 31 December 2021 are likely to be withdrawn.

Further, the NGT vide its order dated 15 February 2022 has directed the Company to deposit compensation of Rs. 182.40 lakhs with State Pollution Control Board as a compensation for the alleged violations/breaches of environmental conditions for disposal of fly ash by the Company. The Company has filed civil appeal before Hon'ble Supreme Court against the NGT order dated 15 February 2022. As per the directions of Hon'ble Supreme court, The Company has also filed its objections to the committee report. The matter is currently pending.

h. Two MSME creditors of the Company have filed petition before National Company Law Tribunal, New Delhi (NCLT) under section 9 of the Insolvency and Bankruptcy Code 2016 for initiation of corporate insolvency resolution process against the Company due to non-payment of its dues along with interest thereon. One of the case has been dismissed and withdrawn in December 2021, however it is not yet updated on MCA website which is still showing the status of the Company as "under corporate insolvency resolution process" and in other case, the Company has contested the same and has therefore not made any provision towards interest.

i. The Company has received some notices from Micro and Small Enterprises Facilitation Council w.r.t. the application filed by certain Micro, Small and Medium Enterprises regarding non-payment of their dues amounting to Rs. 495.80 lakhs along with interest thereon amounting to Rs. 266.61 lakhs. There are certain MSME parties where dues are outstanding for more than 45 days as at 31 March 2021 as well as 31 March 2022. However, due to immense financial stress in the Company and also on account of pending reconciliations in respect of outstanding dues of certain MSME parties, the Company has not made any provision towards interest on MSME dues (Refer note 44).

j. There is net credit balance of Rs. 20,347.97 lakhs as at 31 March 2022 (Rs. 19,864.84 lakhs as at 31 March 2021) of BGR Energy Systems Limited (BGR), the EPC Contractor for the 2x300 MW TPP of the Company and China Western Power Corporation (CWPC), which primarily includes retention amount retained from the billing as per the EPC Contract (Contract entered into between the Company and BGR) as reduced by certain debit balances towards the work done by the Company on behalf of BGR and CWPC.

During the year ended 31 March 2019, the Company had invoked the Performance Bank Guarantees of Rs. 8,698.37 lakhs and Advance Bank Guarantees of Rs. 2,055.11 lakhs submitted by BGR, on account of non-fulfilment of performance obligations by BGR as per the terms of the EPC Contract. Out of the above, the Company had encashed Performance Bank Guarantee (PBG) of Rs. 8,698.37 lakhs during that year.

Subsequent to above stated encashment of PBG, BGR had filed a petition before Delhi High Court inter alia praying for restraining the Company from encashing the other bank guarantees. The Delhi High Court vide its order dated 02 July 2018 directed that the Company is restrained from receiving any further amounts pursuant to the invocation of bank guarantees till the next date of hearing, subject to the condition that BGR shall keep the un-encashed Bank Guarantees alive.

Further, BGR has also invoked arbitration as per the terms of EPC Contract and as a result of this, the Company and BGR have constituted an Arbitral Tribunal and BGR has withdrawn the above stated Petition from Delhi High Court pertaining to BG encashment. BGR had filed its claim of Rs. 56,398.00 lakhs before Arbitrator. The Company filed its reply to the said claim and raised a counter claim of Rs. 280,905.00 lakhs plus USD 190.00 lakhs on 05 December 2018.

N G C & COMPANY LLP * Chartered Accountants * New Delhi

TRN Energy Private Limited

Further, the Arbitral Tribunal directed both the parties to appoint the experts and file the Joint Expert Report (JER) on the matter. JER has been taken on record by the Tribunal and cross examination of expert witnesses of both the parties has been completed. The matter is pending before the Arbitral Tribunal for final arguments of the claims/ counter claims made by BGR and the Company. The Company will be able to evaluate all such payable/receivables only when dispute between the parties is settled by the Arbitrator.

Furthermore, during the year ended 31 March 2020, the Company had also invoked Performance Bank Guarantees (PBGs) of CWPC of USD 186.10 lakhs through advising bank, i.e. Axis Bank, due to delays in the commissioning of the project. CWPC had filed civil complaint before ChengDu People's Intermediate Court, Sichuan Province for termination of payment of USD 186.10 lakhs. The ChengDu Court had suspended the payment of USD 186.10 lakhs to be made by Bank of China to the Company on account of invocation of bank guarantee. The Company has received summons on 27 May 2022 from ChengDu People's Intermediate Court, Sichuan Province through Ministry of Law and Justice, Department of Legal Affairs, Shastri Bhavan, New Delhi w.r.t. above civil complaint filed by CWPC. The Company is in the process of filing its reply to the civil complaint filed by CWPC.

Pending the final outcome of the arbitration proceedings, the Company has disclosed the aforesaid net amount of Rs. 20,347.97 lakhs (Rs. 19,864.84 lakhs as at 31 March 2021) and encashed amount of Rs. 8,698.37 lakhs under the head "Other non-current financial liabilities" under note 15 in the financial statements.

k. The Water Resources Department (WRD), Government of Chhattisgarh has raised certain demands towards water charges bills along with interest. The Company has not accounted for the interest liability demanded by the WRD and is contesting the said demands. For detailed note please refer to note 32 in the financial statements.

l. The Company was unable to lift the minimum threshold quantity of coal as per fuel supply agreement entered into with South Eastern Coalfields Limited due to Covid -19 Pandemic and also due to paucity of working capital from time to time. Therefore, South Eastern Coalfields Limited may charge penalty for non-lifting/ short lifting of coal by the Company during the year ended 31 March 2022.

(ii) Capital commitments:

The estimated amount of contracts remaining to be executed on capital account (net of advance) is Rs. 122.09 lakhs as at 31 March 2022 (Rs. 1,043.18 lakhs as at 31 March 2021).

29. The Company has entered into a Power Purchase Agreement dated 25 July 2013 (PTC-PPA) with PTC India Limited (PTC) based on the back to back Power Purchase Agreement (Procurer PPA) executed by PTC with Uttar Pradesh Discoms (UP Discoms) dated 25 July 2013. PTC PPA and Procurer PPA were entered for the supply of Aggregated Contracted Capacity 390 MW for a period of twenty-five years from the Scheduled Delivery Date of the project. The Company supplies power to PTC/ UP Discoms for which invoices are raised on monthly basis. PTC/ UP Discoms deducts amounts on various accounts (like: tariff year differences, trading margin, rebate, capacity charges, penalty etc) from the monthly / supplementary invoices raised by the Company. The Company has filed petition before Hon'ble Central Electricity Regulatory Commission (CERC) in respect of above deductions. Further, the Company has also challenged other matters such as delay in payments of monthly / supplementary bills, failure to establish payment security mechanism, non- reimbursement of transmission charges, etc. and has also claimed Late Payment Surcharge (LPS) on the same. The Company has also obtained a legal opinion in respect of the above claims and has accounted for revenue based on favourable legal opinion on the said matters. Details of the such matters are given below:-

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TRN Energy Private Limited *

a) The Company supplied 150 MW of power to UP Discoms from 02 December 2016 to 16 May 2017 as the long term open access (LTOA) from Power Grid Corporation of India Limited (PGCIL) was available only for 150 MW. Further, the No Objection Certificate (NOC) from UP Discoms was available for 150 MW only. PGCIL operationalised the LTOA of balance 240 MW w.e.f. 17 May 2017 and accordingly supply of 390 MW power, i.e. the Aggregated Contracted Capacity could commence only from 17 May 2017 after the NOC for the balance capacity of 240 MW was available from UP Discoms. As the Company had started supplying Aggregated Contracted Capacity of 390 MW to UP Discoms w.e.f 17 May 2017, the Delivery Date has to be reckoned from 17 May 2017 and thus the First Contract Year for the purpose of Procurer PPA should have commenced from the date on which the Company started supplying the Aggregated Contracted Capacity of 390 MW i.e. w.e.f. 17 May 2017. Consequently, as per the provisions of the PTC PPA and Procurer PPA, the Scheduled Delivery Date is to be extended as per Article 4.7.1 of the PTC PPA and Procurer PPA and the last contract year shall end on the 25th anniversary of the Revised Scheduled Delivery Date. Hence, the Company had considered tariff applicable for first year for the supply of power to UP Discoms for the period 17 May 2017 to 31 March 2018 and accordingly the tariff applicable for the second year was considered for the year 01 April 2018 to 31 March 2019 and so on thereafter. However, PTC and UP Discoms have disputed the Scheduled Delivery Date and have treated the Scheduled Delivery Date as 02 December 2016.

The Company being aggrieved by the stand taken by PTC and UP Discoms, had filed the Petition in February 2019 before Hon'ble Central Electricity Regulatory Commission (CERC) seeking 17 May 2017 as the Scheduled Delivery Date. The petition is currently pending before Hon'ble CERC.

The Company has recognised total revenue of Rs. 4,488.74 lakhs over the period till 31 March 2022 (Rs. 4,210.72 lakhs over the period till 31 March 2021) on account of the difference in tariffs considered by the Company and tariff considered by PTC/ UP Discoms. The same has been included under the head "trade receivables" (refer note 8).

b) The Company has claimed Capacity Charges for the period January 2019 to March 2019 based on the Declared Capacity informed by it to UP Discoms considering the fact that the plant of the Company was available during the relevant period for the supply of power to UP Discoms though the supplies were curtailed owing to regulation of power invoked by PGCIL. However, PTC India Limited/ UP Discoms have not accepted the said Declared Capacity. The Company has filed Petition with CERC w.r.t the claim on account of Capacity Charges due to the above mentioned difference in Declared Capacity. During the year ended 31 March 2019, the Company had recognised the revenue of Rs. 4,347.13 lakhs on account of above mentioned difference in Declared Capacity and accordingly the Company had not considered the penalty of Rs. 839.03 lakhs imposed by PTC/UP Discoms. The Petition is currently pending before Hon'ble CERC. The same has been included under the head "trade receivables" (refer note 8).

In the subsequent years also, the Company has recognised revenue based on the Declared Capacity informed by it to UP Discoms as the supplies of the Company were curtailed owing to regulation invoked by PGCIL. As a result of this, the Company has recognised revenue of Rs. 7,285.39 lakhs, Rs. 1,883.81 lakhs and Rs. Nil for the year ended 31 March 2020, 31 March 2021 and 31 March 2022 respectively which has not been accepted by PTC/ UP Discoms. Further, the Company has not recognised penalty of Rs. 1,396.05 lakhs, Rs. 291.48 lakhs and Rs. Nil on account of this short supply of power during the year ended 31 March 2020, 31 March 2021 and 31 March 2022 respectively. The same has been included under the head "trade receivables" (refer note 8).

c) In the above stated petition, the Company has also contested the trading margin charged by PTC despite non fulfilment of certain deliverables on the part of PTC as per the provisions of the PPA. The amount of trading margin on account of the above was Rs. 5,084.62 lakhs upto the period ended 31 March 2020. The Company had recorded trading margin of Rs. 5,084.62 lakhs upto the period ended 31 March 2020 as expenses in the financial statements. However, pursuant to new Trading License Regulations, 2020 issued by CERC on 2 January 2020 and considering the fact that PTC had not created payment security mechanism as per the terms of PPA before 31 January 2020, the Company has during the year ended 31 March 2021, raised debit note of Rs. 5,058.24 lakhs towards excess trading margin charged upto the period ended 30 January 2020. The same has been included under the head "trade receivables" (refer note 8).

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TRN Energy Private Limited

Further, under the new Trading License Regulations, 2020 issued by CERC on 2 January 2020 (notified on 30 January 2020), under Regulation 8(1)(f), for transactions under back to back contracts, where the escrow arrangement or irrevocable, unconditional and revolving LC as specified in Regulation 9(10) is not provided by the Trading License in favour of the Seller, the trading licensee shall not charge trading margin exceeding 2 paise/ kwh. PTC has not provided the letter of credit in accordance with the terms of the above stated Regulations and therefore, the Company has recorded the trading margin towards the supply of power to UP Discoms through PTC at the rate of 2 paisa/ kwh w.e.f .31 January 2020. However, despite the issuance of new Trading License Regulations, 2020 on 2 January 2020, PTC has deducted trading margin at the rate of 8 paisa/kwh during the period 31 January 2020 to 31 March 2022. As a result of the same, an amount of Rs. 1,366.97 lakhs (Rs. 972.98 lakhs as at 31 March 2021) has been included under the head "trade receivables" (refer note 8). The petition is currently pending before Hon'ble CERC.

d) There have been delays in the payments made by PTC and also partial payments have been made to the Company towards the power supplied. Despite the delays in payments and partial payments, PTC has deducted Rebate of Rs. 3,965.33 lakhs upto 31 March 2022 (Rs. 3,633.07 lakhs upto 31 March 2021) on the payments made by it to the Company. Since the Rebate deducted by PTC is not as per the provisions of the PTC PPA, the Company has contested the same in the above mentioned Petition and has not accounted for the same. Further, the Company has also claimed LPS in the said Petition as per the terms of PPA due to delay in payments made by PTC. The Petition is currently pending before Hon'ble CERC. The same has been included under the head "trade receivables" (refer note 8).

e) Apart from above, PTC has also wrongly deducted an amount of Rs. 992.55 lakhs from the invoices raised during the year ended 31 March 2018 and 31 March 2019 on account of capacity charges, penalty, differential energy charges etc. Further, an amount of Rs. 142.64 lakhs was also wrongly deducted by PTC for the invoices raised for energy supply for the month of April 2021. Such amount has been included under the head "trade receivables" (refer note 8). The Company is contesting the same and, in its petition, before Hon'ble CERC has prayed that the said PPA between the Company and PTC may be allowed to be cancelled due to non-performance by PTC as per the PPA signed between the Company and PTC.

30. During the year ended 31 March 2021, the Company had recognised revenue on account of change in law of Rs. 7,862.90 lakhs (including Rs. 94.47 lakhs towards carrying costs in relation to the said change in law events). Such invoices have been approved by PTC for an amount of Rs. 5,372.93 lakhs. However, the Company is expecting to get it approved for an amount of Rs. 6,330.06 lakhs and therefore has written off an amount of Rs. 1,532.84 lakh (difference of Rs. Rs. 7,862.90 lakhs and Rs. 6,330.06 lakhs) during the year ended 31 March 2022.

Further, during the year ended 31 March 2022, the Company has raised invoices towards revenue on account of change in law of Rs. 2,144.34 lakhs towards carrying costs in relation to the said change in law events for the period 01 April 2021 to 31 July 2021. Such invoices have been approved by PTC for an amount of Rs. 1,011.90 lakhs. However, the Company is expecting to get it approved for an amount of Rs. 1,412.22 lakhs and therefore has reversed an amount of Rs. 732.12 lakh during the year ended 31 March 2022. The Company has also recognised revenue of Rs. 845.90 lakhs on account of change in law for the period of 01 August 2021 to 31 March 2022 and the same has been included under "Contract assets" shown under the head "Other Current Financial Assets" (refer note 10) as on 31 March 2022. Invoices of the same have been raised in April and May 2022. The said invoices have been approved by PTC for an amount of Rs. 749.77 lakhs.

The summary of amounts to be recovered on account of change in law invoices is as under:-

Rs. in lakhs

Particulars	F.Y. 2020-21	F.Y. 2021-22 (Apr 21-July 21)	F.Y. 2021-22 (Aug 21-Mar 22)
CIL claim recognised	6,330.06	1,412.22	845.90
CIL claim approved	5,372.93	1,011.90	749.77
CIL claim pending approval	957.13	400.32	96.13
Remarks	CIL claims are pending approval on account of non-payment of electricity duty, lapse of linkage quantities from time to time etc.		

G C & COMPANY LLP
New Delhi
Chartered Accountants

TRN Energy Private Limited

During the current year, the Company has recognised late payment surcharge of Rs. 2,497.05 lakhs on account of delay in receipt of payment towards change in invoices for the period December 2016 to March 2019 and the same has been shown under the head "Other income" (refer note 23).

31. In terms of CERC order dated 12 June 2019 in Petition No. 118/MP/2018 for grant of compensation on account of change in allocation of Mines for supply of coal, the Company has filed petition with CERC on 04 September 2021 against PTC and UP Discoms under Section 79 (1) (b) and (f) of the Electricity Act, 2003. The Company has prayed for recovery of additional transportation cost incurred and to be incurred by the Company due to change in allocation of Mines for supply of coal, by way of adjustment in tariff. An amount of Rs. 10,727.86 lakhs has been claimed as additional expenditure incurred on account of Change of allocation of Mines for supply of coal for the period December 2016 to March 2021. The Company has not accounted for the above claim in the financial statements.

32. The Water Resource Department, Chhattisgarh (WRD) had allocated 19.00 MCM (Million Cu.M) p.a. water to the Company from Kurket River. The Company had deposited an amount of Rs. 3,463.35 lakhs as an advance towards construction of anicuts and barrage and had also deposited advance water cess of Rs. 166.72 lakhs (Water cess for 3 month allocated quantity @Rs. 3.51/- per Cu.M.). Permission was granted to the Company to draw 19.00 MCM of water per annum from the natural flow of Kurket River till completion or start of first storage of Anicuts / Baihamuda Barrage at a rate of Rs. 3.51 per Cu.M..

The Company has received the bills of water charges on the basis of 90% of the 19.00 MCM p.a till 30 September 2019 and recorded the same accordingly. Thereafter, WRD has stopped the billing of water charges. A notification was issued in the month of January 2020, as per which, the water cess rate from natural flow has been revised from Rs. 3.51 per Cu.M. to Rs. 5 per Cu,M. The Company has made the provision towards water charges for the period October 2019 to March 2022 on the same principles, i.e. on 90% of the 19.00 MCM p.a at the applicable rate of Rs. 5 per Cu,M. based on the above said notification. However the Company has written several times to WRD informing that the flow of water reduces drastically from the month of November to February every year in the river and accordingly the Company has taken up the matter with WRD for revising the invoices based on actual generation and normative water consumption i.e. 3 Cu.M. per Mwh as per the norms laid out by Ministry of Environment, Forest and Climate Change notification dated 07 December 2015. A meeting was held with Chief Engineer (CE), WRD wherein the issue was explained in detail and the Company was asked to provide the details of water charges based on power generation and normative water consumption. The Company had given the detailed calculations to the office of CE WRD vide letter dated 30 January 2020. The matter is yet to be decided by WRD.

Also in July 2019, WRD informed that construction of permanent water structure is complete and asked the Company to sign a new water agreement at the rate of Rs. 10.50/- per Cu.M.. WRD also stated that in the event of non-signing of agreement, it may levy water charges at 3 times of applicable rate (ie, 10.50 x 3 = 31.50/- per Cu.M.) including penalty.

The Company had pursued with WRD vide its letters dated 18 March 2020 & 01 June 2020 informing that the Company is willing to sign new water agreement at the rate of Rs. 10.50 per Cu. M. and also asked for adjustment plan of the initial deposit lying with WRD in the water cess bills. In response to the Company's letter dated 01 June 2020, Chief Engineer (CE), WRD wrote a letter dated 04 June 2020 to Electrical Engineer (EE), WRD (with a copy to the Company) wherein CE stated that the details of payment of the balance costs towards construction and submergence of anicuts/ barrage have not been mentioned by the Company. The Company had received the demand of Rs. 1,103.07 lakhs towards the balance construction and submergence cost of anicuts/ barrage, however, the Company has not deposited the same. CE, WRD also instructed EE, WRD to take the necessary action to collect the balance construction and submergence amount from the Company. He further instructed EE, WRD that in case the Company fails to make payment of Advance Water Cess (along with construction and submergence cost), the Company shall present its case to Chhattisgarh Government. No further correspondence has been received from EE/CE (WRD).

In view of the above as the Company is contesting water bills based on 90% of allotted capacity and has a deposit of Rs. 3,630.07 lakhs with WRD, the Company has not deposited the water charges and has therefore not recognised the interest, if any, thereon. Considering the above facts, the Company has shown amount of Rs. 3,685.05 lakhs outstanding as at 31 March 2022 (Rs. 2,830.05 lakhs as at 31 March 2021, Rs. 1,975.05 lakhs as at 01 April 2020) towards the water charges under the head "Trade payables" and has separately shown the above mentioned advances of Rs. 3,630.07 lakhs as "Advance to suppliers" under the head "Other non-current assets" (refer note 6). Pending the settlement, the Company has not adjusted this advance with the liability.

N G C & COMPANY LLP * Chartered Accountants * New Delhi

TRN Energy Private Limited

33. The Company has taken certain Inter Corporate Deposits (ICD) of Rs. 35,873.03 lakhs from related parties and Rs. 1,123.95 lakhs from third parties which are repayable on demand at an interest rate of 10% and another ICD of Rs. 1,040.00 lakhs from third party which is also repayable on demand at an interest rate of 16%. As part of the conditions imposed under the flexible structuring scheme approved by term loan lenders, any repayment of ICDs shall be subordinate to the complete repayment of the lenders obligations. Further, any payment of interest on the above instruments shall also be subordinate to the lenders obligations and shall be done only with prior approval of the lenders. In view of the said restrictions, the ICD's of Rs. 36,996.98 lakhs and interest accrued thereon of Rs. 8,609.93 lakhs was classified under long term liabilities in the financial statements for the year ended 31 March 2021 and remaining ICD of Rs. 1,040 lakhs and interest accrued thereon of Rs. 182.40 lakhs was classified under current liabilities, as before.

Further, in December 2021, the Company was declared NPA by lenders as the Company was not able to service its financial obligations due to cash flow constraints. Further, till date the Company has not been able to service its obligations towards the lenders. In view of above it is highly unlikely that the Company would be able to service the interest obligation in near future with respect to ICDs, as it being unsecured and subordinate to the term and working capital lenders.

The ability of the Company to pay the interest is contingent upon the availability of free cash flows post the servicing of complete dues of term and working capital lenders. While the Company is making all efforts and is in litigation with certain parties to realise certain disputed amounts, the timing and quantum of the same is not known, therefore, the Company has decided to continue to measure the existing principal and interest liability at its face value and has also decided to not to accrue any further interest from the financial year ended 31 March 2022 although the Company is required to record provision for interest on ICD as per accrual basis of accounting. Therefore, the entire ICD's and interest accrued have been shown as non-current liability in the financial statements for the year ended 31 March 2022.

The Company has also not been able to deposit TDS since it is not being allowed by the lenders inspite of several requests to the lenders (applicable on interest accrued on ICD) amounting to Rs. 579.76 lakhs for the year 2019-20 and Rs. 289.77 lakhs for the year 2020-21 due to non-approval by the term lenders. The Company has however made provision amounting to Rs. 113.05 lakhs and Rs. 160.86 lakh during the year ended 31 March 2021 and 31 March 2022 respectively towards interest on non-deposit of the said TDS, though the same has also not yet been deposited.

34. Other legal cases:

The Company is also involved in certain other lawsuits, claims and proceedings, either initiated by or against the Company, whether asserted or not. However, based on facts currently available, the management believes that these matters both individually and in aggregate will not have a material effect on the financial statements of the Company.

35. During the year ended 31 March 2021, the Turbine Rotor of Unit-II of the Plant was damaged which lead to shut down of Unit-II w.e.f. 10 March 2021. The Company has awarded the contract for repairing of the same to GE Power India Limited. Such repairing work has been completed and plant has been synchronised on 09 July 2022. However, both the units of plant have not been fully functional post the synchronisation of Unit-II in July 2022. The Company has filed its claim with insurance company for material damage as well as loss of profit. Such claim is under review with insurance company. The expenses incurred on repairs of Unit-II amounting to Rs. 810.31 lakhs till 31 March 2022 has been shown as "Insurance claim recoverable" under the head "Other current financial assets" (refer note 10).

36. The MoEF has vide its notification dated 31 March 2021 made certain amendments to Environment (Protection) Act, 1986 in terms of which certain categories have been made on the basis of the location of the plants to comply with the emission norms within specified timelines. The Unit-II of the plant has been categorised as non-compliant with the prescribed emission norms and thus would require installation of Flue Gas Desulphurization (FGD) within stipulated timelines ie., upto 31 December 2024. The Company has already represented to CPCB that the Unit-II of the plant is having same technology as Unit-I and the only difference is on account of delay in commissioning of Unit-II by approximately 4 months which does not warrant installation of FGD systems.

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TRN Energy Private Limited

37. **Borrowings (Term loans/ working capital facilities):-**

Outstanding facilities

The Company has availed a term loan facility from consortium of lenders comprising of REC Limited (REC), Power Finance Corporation ('PFC') and India Infrastructure Finance Company (UK) Limited ("IIFCL" or "ECB lender") (together called as "Term Lenders"). The Company has also availed working capital facilities of Rs. 43,000.00 lakhs (fund based and non-fund based) from consortium of lenders comprising of Axis Bank Limited, HDFC Bank Limited, Canara Bank and IndusInd Bank Limited (together called as "working capital lenders"). Following are the outstanding amounts of facilities availed by the Company:

Amount in Rs. Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Term loans (refer note 14)	292,913.81	293,088.96
Cash credits, Working capital demand loans and Funded interest term loan (refer note 17)	12,447.47	22,050.46
Total	**315,139.42**	**315,139.42**

Flexible Structuring Scheme

During the financial year 2020-21, the Company approached its term lenders for implementation of flexible structuring scheme (5/25) to address liquidity issues for its 2x300 MW thermal power project in accordance with RBI Guidelines contained in RBI Master directions for NBFCs - Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated 01 September 2016 (Updated on 22 November 2019). Accordingly, an Independent Evaluation Committee ('IEC') was constituted to evaluate the flexible structuring proposal. A Techno Economic Viability Study ('TEV Study') report and Valuation Report of 2x300 MW thermal power project was submitted to lenders in accordance with prevailing guidelines. Both TEV Study Report and Valuation Report were approved by term lenders and IEC members. The rupee term lenders of the Company approved the flexible structuring proposal and the rupee term loan has been structured in line with the flexible structuring scheme (5/25) of RBI on 31 March 2021 with certain additional sanction terms which include settlement of contingent liabilities, if any, arising out of arbitration proceedings between the Company and its EPC contractor. The main feature of flexible structuring involves deferment of principal repayment of Rs. 24,224.00 lakhs (approx.) w.e.f. December 2020 to March 2022 and extension of repayment tenor from April 2038 till June 2038.

Events post sanction of Flexible Structuring Scheme

Despite the above flexible structuring, the Company continued to remain in stress till date due to unexpected breakdown of Unit II of 300 MW in March 2021. The DSRA of Rs. 14,700.00 lakhs retained by the lenders was not permitted to be utilised for operations of the plant. Debit of additional/penal interest by lenders, insufficient working capital, delay in receipts of payments against supplementary invoices from PTC/UP Discoms and regulation of power imposed by PGCIL resulted into non-operation of plants at its optimal capacity and hence resulting in fall in revenue from operations.

Consequentially, there were delays in repayment of principal and interest to all the Term Lenders from April 2021 to August 2021. The DSRA created and maintained with REC, was utilized by the lenders to adjust the financial obligations of all the Term Lenders which had fallen due. The term lenders adjusted the said DSRA amount to clear their dues upto August 2021. Further, due to continuous default in payment of its financial obligations by TRENPL to its lenders from September 2021 onwards, the account of the Company has been classified as "NPA" by its lenders.

The Drawing Power of the Company to utilize working capital limits reduced substantially against sanctioned working capital limits of Rs. 20,500.00 lakhs resulting in overdrawal of cash credit limits (refer note 50).

N.C. & COMPANY LLP
New Delhi
Chartered Accountants

TRN Energy Private Limited

In September 2021, the currency swap settlement contract to hedge foreign currency loan of USD 401.86 lakhs was terminated by Axis bank on its own. Neither thus Axis Bank provides the working against the contract which was terminated by them on their own inspite of several requests. Consequentially, the risk on account of foreign exchange fluctuations on repayment of principal and interest is on the Company since there is no hedge on the foreign currency loan.

There have been delays/defaults in repayment of loan instalments during the year, the details of which are as under:-

Name of term lenders	Principal due (Rs. in lakhs)	Due period	Payment period	Delay (in Days)
REC	150.98	Sep-21	Not yet paid	-
REC	150.98	Dec-21	Not yet paid	-
REC	150.98	Mar-22	Not yet paid	-
PFC	57.14	Apr-21	19 May 2021	34
PFC	114.29	July-21	12 October 2021	89
PFC	114.29	Oct-21	Not yet paid	-
PFC	114.29	Jan-22	Not yet paid	-
IIFCL(UK)	244.61	Mar-21	21 May 2021	51
IIFCL(UK)	322.15	Jun-21	28 September 2021	90
IIFCL(UK)	330.04	Sep-21	Not yet paid	-
IIFCL(UK)	380.83	Dec-21	Not yet paid	-
IIFCL(UK)	406.22	Mar-22	Not yet paid	-

There have also been delays/defaults in payment of interest during the year, the details of which are as under:-

Name of term lenders	Interest due (Rs. in lakhs)	Due period	Payment date	Delay (in Days)
REC	1,289.61	Apr-21	19 May 2021	19
REC	1,341.30	Jul-21	12 Oct 2021	73
REC	1,461.33	Aug-21	13 Oct 2021	43
REC	333.33	Sep-21	12 Nov 2021	43
REC	9,928.68	Sept 21-Mar 22	Not yet paid	-
PFC	548.37	Mar-21	19 May 2021	65
PFC	531.06	Apr-21	19 May 2021	34
PFC	1,026.98	May-21	19 May 2021	4
PFC	1,064.15	Jun-21	24 Jun 2021	9
PFC	1,026.47	Jul-21	12 Oct 2021	89
PFC	1,060.69	Aug-21	13 Oct 2021	59
PFC	234.17	Sep-21	12 Oct 2021	27
PFC	7,010.68	Sept 21-Mar 22	Not yet paid	-
IIFCL (UK)	82.27	Apr-21	21 May 2021	21
IIFCL (UK)	74.97	May-21	30 Jun 2021	30
IIFCL (UK)	85.51	Jun-21	28 Sep 2021	90
IIFCL (UK)	82.95	Jul-21	28 Oct 2021	89
IIFCL (UK)	74.26	Aug-21	28 Oct 2021	58
IIFCL (UK)	557.44	Sept 21-Mar 22	Not yet paid	-

Charge of penal interest

During the preceding years as well as current year, the Company has defaulted/ delayed in the repayment of term lenders' dues. As a result of this, the lenders have levied additional interest/ penal interest. The Company has charged the said additional interest/ penal interest to the Statement of Profit and loss during the said periods. However, the Company has contested the same with its lenders. The reversal of such interest will be accounted for, once the same is approved by the lenders.

N G C & COMPANY LLP * Chartered Accountants * New Delhi

TRN Energy Private Limited

Notice under section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002)

A notice dated 19 January 2022 has also been issued by Canara bank (being working capital lender) under section 13(2) of the SARFAESI Act, 2002 to the Company and all the Guarantors to discharge jointly or severally total outstanding of Rs. 4,338.32 lakhs as on 18 January 2022 along with the future interest from 01 January 2022 and incidental expenses & cost thereon till the date of final payment, within 60 days from the date of notice failing which further action shall be taken as per provision of section 13 of the said Act, in respect of the secured assets.

Further, a notice dated 29 June 2022 has been issued by HDFC bank (being working capital lender) under section 13(2) of the SARFAESI Act, 2002 to the Company and all the Guarantors to discharge jointly or severally total outstanding of Rs. 5,538.99 lakhs as on 29 June 2022 along with the future interest and incidental expenses & cost thereon till the date of final payment, within 60 days from the date of notice, failing which further action shall be taken as per provision of section 13 and 15 of the said Act, in respect of the secured assets.

Further, TRNEPL and few noticees, through their letters submitted in the month of September 2022, have replied to HDFC Bank stating various reasons of financial stress in the Company and seeking support of lenders to run the plant in continuous manner as a request to initiate the resolution plan is being pursued with the lenders.

Some of the noticees have submitted their individual reply to the above said notices from Canara Bank and HDFC Bank stating that their personal/corporate guarantees were no longer valid and have given their justification for the same.

38. Impact of COVID-19:

The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The unprecedented situation has severally impacted operations of the Company in F.Y. 2020-21 in terms of slump in demand for power. The lower demand of power across the country led to decline in spot price of power sold on exchange, which represents a certain portion of the power being supplied by the Company.

The operations of the Company were also impacted during the first half of the year 2021-22 due to COVID-19 situation.

39. Going Concern

a) During the financial year ended 31 March 2022 and even during the period subsequent to the year end, the Company continues to face financial constraints as explained in various notes to financial statements:

Sl no.	Note no.	Particulars
1.	Note no. 28(i)(e)	Regarding demands raised against the Company for not supplying 5% power to CSPTrdCo.
2.	Note no 28(i)(f), 29(i)(h), 28(i)(i) & 32	Regarding default subsisting in the Company in relation to payment of electricity duty, vendor payments and water charges.
3.	Note no. 29, 30 & 31	Regarding various disputes going on with PTC India for recovery of various amounts.
4.	Note No. 33	Regarding non-payment of TDS liability on interest on ICD by the Company till date.
5.	Note no- 35	Regarding shut down of unit-II due to machinery break down for a long period and intermittent stoppage of one of the units even after synchronisation of Unit-II in July 2022.
6.	Note no. 37	Regarding borrowings.

N G C & COMPANY LLP New Delhi Chartered Accountants

TRN Energy Private Limited

b) Further, both the units of Company's power plant have been operating at lower Plant Load Factor (PLF) resulting in overall PLF of around 37% during the year 2019-20, 37% during the year 2020-21 and 13% during the year 2021-22.

However, despite the above shortcomings, the Company is expecting revival by working actively to resolve/settle its various issues with lenders (through a resolution plan), vendors and also arbitration proceedings with its EPC contractor.

Considering the various measures being taken by the Company to settle pending issues including through a resolution plan for restructuring of its debt and other financial obligations, the management of the Company is hopeful of a better financial position and expects to generate sufficient working capital to run its power plant at optimum levels so as to meet its obligation towards term lenders, working capital lenders, vendors and statutory dues.

Accordingly, notwithstanding the aforesaid uncertain events, the Company continues to prepare the Standalone Financial Statement on a going concern basis.

40. Employee Benefits

a) Defined contribution plan:

Amount of Rs. 64.10 lakhs (31 March 2021 Rs. 68.42 lakhs) pertaining to employers' contribution to provident fund, pension fund, employee state insurance and administration charges is recognized as an expense and included in "Employee benefits expenses" in note 24.

b) Defined benefit plan:

Gratuity plan:
The Company operates a gratuity plan which provides lump sum benefits linked to the qualifying salary and completed years of service with the Company at the time of separation. Every employee who has completed 5 years of continuous service is entitled to receive gratuity at the time of his retirement or separation from the organization whichever is earlier. However the condition of completion of 5 years of service is not applicable where separation is on account of disability or death of an employee. The gratuity benefit that is payable to any employee, is computed in accordance with the provisions of "The Payment of Gratuity Act, 1972".

The Gratuity Fund
The following table sets forth the status of the Gratuity Plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

Particulars	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Changes in the present value of defined benefit obligation		
Present value as at the beginning of the year	93.61	173.67
Included in Statement of Profit and Loss		
- Current service cost	17.72	39.81
- Interest cost	6.32	11.89
Included in other comprehensive income		
-Change in financial assumptions	(5.74)	(104.38)
-Change in demographic assumptions	(0.06)	2.57
-Experiences variance	2.57	(26.01)
Past service cost	-	-
Benefits paid	(18.05)	(3.94)
Present value as at the end of the year	**96.37**	**93.61**

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TRN Energy Private Limited

(All amount are in Rupees lakhs, unless otherwise stated)

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Present value of unfunded obligations		
Net liability	96.37	93.61
	96.37	**93.61**
Amount in balance sheet		
Liability	96.37	93.61
Net liability is bifurcated as follows:		
Non-current liability (long term)	93.53	90.09
Current liability (short term)	2.84	3.52
Net liability	**96.37**	**93.61**

Principal actuarial assumptions at the balance sheet date are as follows:

Financial assumptions:
The principal assumptions are the discount rate and salary escalation rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. The assumptions used are summarized in the following table:

Particulars	**Assumptions as at 31 March 2022**	**Assumptions as at 31 March 2021**
Discount rate (p.a)	7.25%	6.75 %
Salary escalation rate (p.a.)	5.00%	1% for the first year and 5% thereafter

Demographic assumptions:

Particulars	**Assumptions as at 31 March 2022**	**Assumptions as at 31 March 2021**
Retirement age	60 - 70 years	60 - 70 years
Mortality table	100% of IALM (2012-14)	100% of IALM (2012-14)
Employee turnover	Upto 30 years- 5% 31 - 40 years- 3% 41 - 50 years- 2% Above 50 years- 1%	Upto 30 years- 5% 31 - 40 years- 3% 41 - 50 years- 2% Above 50 years- 1%

Sensitivity Analysis:
The key actuarial assumptions to which the benefit obligation results are particularly sensitive to the discount rate and future salary escalation rate. The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	**As at 31 March 2022**		**As at 31 March 2021**	
	Decrease	**Increase**	**Decrease**	**Increase**
Discount rate (- / + 50 bps)	102.10	91.09	100.02	87.78
Salary growth rate (- / + 50 bps)	90.95	102.20	87.64	100.12
Attrition rate (- / + 50%)	94.01	98.36	91.36	95.45
Mortality rate (- / + 10%)	96.28	96.44	93.54	93.68

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date.

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TRN Energy Private Limited

Expected maturity analysis:
The expected maturity analysis of defined benefit obligation is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Less than 1 year	2.84	3.52
1-2 years	3.93	3.02
2-5 years	17.03	13.61
More than 5 years	243.10	254.12

The weighted average duration to the payment of defined benefit obligation is 12 years (31 March 2021 14 years).

Risk Analysis:
The above defined benefit plan expose the Company the following risks:

i) **Interest rate risk**
The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

ii) **Salary inflation risk**
Higher than expected increases in salary will increase the defined benefit obligation.

iii) **Demographic risk:**
This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

c) Compensated absences:

The obligation of compensated absence in respect of the employees of the Company works out to Rs. 57.06 lakhs as at 31 March 2022 (31 March 2021 Rs. 64.92 lakhs).

41. Segment Reporting

In the opinion of the management, there is only one reportable segment i.e. power operations, as envisaged by the Ind AS 108 – Operating Segments. Accordingly, no disclosure for segment reporting has been made in the financial statements.

The total of non-current assets other than financial instruments, deferred tax and post-employment benefit assets, broken down by location of assets, is shown below:

Particulars	As at 31 March 2022	As at 31 March 2021
India	252,589.48	349,745.04

The Company derives its 100% revenue from the customers located in India and constitute a single reportable segment for the purpose of geographical segment reporting.

Information about major customers
Revenue from transactions with a single external customer amounting to 10 per cent or more of the entity's revenue is given as below:

Business segments	For the year ended 31 March 2022	For the year ended 31 March 2021
Thermal power (Customer 1)	21,848.15	71,112.85

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New Delhi
Chartered Accountants

TRN Energy Private Limited

42. Related party disclosures

a) Name of related party and nature of related party relationships:

i) Related parties where control exists:

Ultimate holding company
ACB (India) Limited

Holding company
ACB (India) Power Limited

ii) Related parties with whom transactions have taken place during the year:

Enterprises under common control of ultimate holding company
Aryan Clean Environment Technologies Private Limited
(Formerly known as Aryan Clean Coal and Technologies Private Limited)

Associate of ultimate holding company
Swastik Power and Mineral Resources Private Limited
Maruti Clean Coal and Power Limited

Key Management Personnel (KMP):
Promila Bhardwaj, Independent Director (upto 29 November 2021)
Charan Das Arha, Independent Director (upto 31 March 2021)
Ram Niwas Hooda, Independent Director (w.e.f. 27 September 2021)
Eti Vashist, Company Secretary (upto 16 June 2020)
Bindu Pareek, Company Secretary (w.e.f. 01 December 2020 till 03 Septmber 2021)
Chandra Prakash Malik, (Director as on 31 March 2021 and Whole Time Director w.e.f. 01 April 2021)
Kamal Kant, Managing Director and Chief Executive Officer (w.e.f. 11 October 2021 till 31 July 2022)
Pranav Arora, Chief Financial Officer (w.e.f. 30 November 2021 till 31 July 2022)

Enterprises where key management personnel or their relatives are interested (others)
Sainik Finance & Industries Limited
Sainik Mining And Allied Services Limited
Sindhu Trade Links Limited
V V Transport
M S & Sons
Shyam Indus Power Solutions Private Limited
Hari Bhoomi Communications Private Limited

N G C & COMPANY LLP New Delhi Chartered Accountants

TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

b) Transactions with related parties:

Nature of Transactions	Ultimate holding company	Holding Company	Enterprise under common control	Associate of ultimate holding company	Key Management Persons	Others	Grand Total
Inter corporate deposit received	-	-	-	-	-	-	-
	(165.00)	-	-	-	-	-	(165.00)
Purchase of property, plant and equipment and capital work in progress	-	-	-	-	-	-	-
	-	-	-	-	-	(163.27)	(163.27)
Benefication charges	-	-	-	-	-	-	-
	(62.80)	-	-	(11.80)	-	-	(74.60)
Commercial Vehicle hire charges	-	-	-	-	-	-	-
	-	-	-	-	-	(7.95)	(7.95)
Director meeting fee	-	-	-	-	2.60	-	2.60
	-	-	-	-	(3.54)	-	(3.54)
Director remuneration	-	-	-	-	79.08	-	79.08
	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-
	(2,726.96)	(172.79)	-	-	-	(685.02)	(3,584.77)
Purchase of spares	-	-	13.63	-	-	-	13.63
	-	-	(3.73)	-	-	-	(3.73)
Repair & maintenance Plant and Machinery	-	-	-	-	-	-	-
	-	-	-	-	-	(38.49)	(38.49)
Salary	-	-	-	-	19.57	-	19.57
	-	-	-	-	(2.47)	-	(2.47)
Sale of spares	-	-	-	-	-	-	-
	-	-	-	-	-	(3.60)	(3.60)
Transportation and loading charges	-	-	-	-	-	4.95	4.95
	(45.77)	-	-	-	-	(12.12)	(57.89)

Figures in () are for the year ended 31 March 2021

c) Outstanding balances of related parties:

Nature of Balance	Ultimate holding company	Holding company	Enterprise under common control	Associate of ultimate holding company	Key Management Persons	Others	Grand Total
Creditors for capital goods	-	-	-	-	-	1,155.05	1,155.05
	-	-	-	-	-	(1,155.05)	(1,155.05)
Inter corporate deposit taken	27,294.94	1,727.92	-	-	-	6,850.17	35,873.03
	(27,294.94)	(1,727.92)	-	-	-	(6,850.17)	(35,873.03)
Interest accured but not due	5,551.93	393.10	-	-	-	1,558.41	7,503.44
	(5,551.93)	(393.10)	-	-	-	(1,558.41)	(7,503.44)
Retention for capital goods	-	-	-	-	-	225.15	225.15
	-	-	-	-	-	(225.15)	(225.15)
Salary payable	-	-	-	-	12.25	-	12.25
	-	-	-	-	(0.15)	-	(0.15)
Trade payable	9,984.48	76.13	23.60	405.90	1.98	6,674.29	17,166.38
	(9,985.29)	(76.00)	(13.90)	(405.90)	(0.72)	(6,699.40)	(17,181.21)
Trade receivable	-	-	-	4.25	-	-	4.25
	-	-	-	(4.25)	-	(31.11)	(35.36)

Figures in () are as at 31 March 2021

N S C & COMPANY LLP New Delhi Chartered Accountants

TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

d) Disclosure in respect of transaction which are more than 10% of the total transactions:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inter corporate deposit received		
ACB (India) Limited	-	165.00
	-	**165.00**
Purchase of property, plant and equipment and capital work in progress		
Sindhu Trade Links Limited	-	102.73
Shyam Indus Power Solutions Private Limited	-	60.54
	-	**163.27**
Benefication charges		
ACB (India) Limited	-	62.80
Swastik Power and Mineral Resources Private Limited	-	11.80
	-	**74.60**
Commercial Vehicle hire charges		
Sindhu Trade Links Limited	-	7.95
	-	**7.95**
Director meeting fee		
Charan Das Arha	-	1.89
Promila Bhardwaj	1.42	1.65
Ram Niwas Hooda	1.18	-
	2.60	**3.54**
Director remuneration		
Chandra Prakash Malik	35.80	-
Kamal Kant	43.28	-
	79.08	**-**
Interest expense		
ACB (India) Limited	-	2,726.96
ACB (India) Power Limited	-	172.79
Sainik Finance & Industries Limited	-	685.02
	-	**3,584.77**
Purchase of spares		
Aryan Clean Environment Tehnologies Private Limited	13.63	3.73
	13.63	**3.73**
Repair & maintenance-plant and machinery		
Shyam Indus Power Solutions Private Limited	-	38.49
	-	**38.49**
Salary		
Bindhu Parek	0.76	0.60
Eti Vashist	-	1.87
Pranav Arora	18.81	-
	19.57	**2.47**
Sale of spares		
Maruti Clean Coal and Power Limited	-	3.60
	-	**3.60**
Transportation and loading charges		
ACB (India) Limited	-	45.77
V V Transport	4.95	12.12
	4.95	**57.89**

New Delhi
Chartered Accountants

TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

43 Ageing analysis of trade receivables (refer note 8)

The ageing analysis of the trade receivables is as below

As at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade receivables							
(i) Trade receivables – considered good	1,877.45	14.59	5,251.76	2,404.12	-	-	9,547.92
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
(i) Trade receivables – considered good	43.77	-	1,130.90	18,749.92	3,739.56	8,616.02	32,280.17
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	155.55	-	155.55
(iii) Trade Receivables – credit impaired	-	-	-	-	-	-	-
	1,921.22	**14.59**	**6,382.66**	**21,154.04**	**3,895.11**	**8,616.02**	**41,983.64**
Less Provision for expected credit loss							155.55
							41,828.09
Trade receivables - contract assets (refer note 10)							856.92
Total							**42,685.01**

As at 31 March 2021

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade receivables							
(i) Trade receivables – considered good	3,893.77	8,861.16	816.32	-	-	31.11	13,602.36
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
(i) Trade receivables – considered good	273.42	8,662.64	10,087.11	3,895.11	5,725.21	2,881.44	31,524.93
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	-	-	-	-	-	-	-
	4,167.19	**17,523.80**	**10,903.43**	**3,895.11**	**5,725.21**	**2,912.55**	**45,127.29**
Less: Provision for doubtful trade receivables							-
							45,127.29
Trade receivables - contract assets (refer note 10)							832.23
							45,959.52

44 Ageing schedule of trade payables (refer note 18)

As at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed trade payables						
(i) MSME	-	1,059.36	2,171.46	152.82	156.39	3,540.03
(ii) Others	-	3,442.89	1,964.40	9,007.73	13,278.07	27,693.09
Disputed trade payables						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
	-	**4,502.25**	**4,135.86**	**9,160.55**	**13,434.46**	**31,233.12**
Unbilled dues						29.37
Total						**31,262.49**

As at 31 March 2021

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed trade payables						
(i) MSME	-	75.89	29.18	28.27	63.82	197.16
(ii) Others	-	10,215.09	9,258.71	12,188.44	1,240.51	32,902.75
Disputed trade payables						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
	-	**10,290.98**	**9,287.89**	**12,216.71**	**1,304.33**	**33,099.91**
Unbilled dues						1,022.03
Total						**34,121.94**

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TRN Energy Private Limited *

45. **Income tax expense/(credit)**

(i) **Income tax recognised in profit or loss**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax expense /(credit)	12,130.14	-
Total income tax expense	**12,130.14**	-

(ii) **Income tax recognised in other comprehensive income**

Particulars	For the year ended 31 March 2022			For the year ended 31 March 2021		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Net actuarial gains/(loss) on defined benefit plans	3.23	-	3.23	127.82	-	127.82
	3.23	-	**3.23**	**127.82**	-	**127.82**

(iii) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :**

Current year tax

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Tax Rate	Amount	Tax Rate	Amount
Loss before tax		(134,367.78)		(23,664.83)
Tax at the Indian tax rate	34.944%	(46,953.48)	34.944%	(8,269.44)
Tax effect of:				
Non-deductible expenses		30,840.07		1,064.67
Employee benefit		(0.65)		(17.44)
Depreciation/amortisation		(4,208.03)		(5,460.03)
Others		20,322.10		12,682.24
Provision for current tax at the effective income tax rate		-		-

Deferred tax credit

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Increase/ (decrease) in deferred tax liability		
Property, plant & equipment and capital work in progress	(34,405.84)	5,460.03
Changes in estimates	-	(504.43)
	(34,405.84)	**4,955.60**
(ii) Increase/ (decrease) in deferred tax asset		
Carry forward losses and unabsorbed depreciation	(46,535.98)	6,310.80
Provisions and others	-	(1,355.20)
	(46,535.98)	**4,955.60**
Deferred tax charge (i-ii)	**12,130.14**	-

46. **Disclosure of Lease transaction**
Company as lessee:-

(i) Carrying amount of RoU assets recognised and the movement during the year are as under (refer note 3) :-

Particulars	As at 31 March 2022	As at 31 March 2021
Land		
Opening balance	739.34	773.66
Addition during the year	-	-
Depreciation	(34.32)	(34.32)
Closing balance	**705.02**	**739.34**

(ii) Amount recognised in Statement of Profit & Loss during the year is as under:-

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation	34.32	34.32
Total	**34.32**	**34.32**

(iii) The Company has taken office space/guest house under cancellable operating lease arrangements. Lease rental expenses charged to Statement of Profit and Loss amounts to Rs. 63.84 lakhs (31 March 2021 Rs. 63.84 lakhs).

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TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

47. Fair Value Measurements

(a) Financial instruments by category

Particulars	As at 31 March 2022			As at 31 March 2021		
	Carrying value			Carrying value		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial assets						
Non-current						
Other financial assets	-	-	86.34	471.00	-	24.94
Current						
Trade receivables	-	-	41,828.09	-	-	45,127.29
Cash and cash equivalents	-	-	111.23	-	-	812.95
Other bank balances	-	-	423.32	-	-	1,699.09
Other financial assets	-	-	1,727.78	25.07	-	20,286.03
TOTAL	-	-	44,176.76	496.07	-	67,950.30
Financial liabilities						
Non-current						
Borrowings	-	-	321,194.94	-	-	330,493.52
Other financial liabilities	-	-	37,838.67	-	-	37,173.14
Current						
Borrowings	-	-	25,453.11	-	-	25,737.04
Trade payables	-	-	31,262.49	-	-	34,121.94
Other financial liabilities	-	-	19,978.17	-	-	3,365.57
TOTAL	-	-	435,727.38	-	-	430,891.21

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(i) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2022			As at 31 March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Security deposits	-	-	24.92	-	-	24.94
Financial liabilities						
Borrowings	-	-	321,194.94	-	-	330,493.52

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements and reports directly to the Chief finance officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's audit committee.

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Non-current				
Other financial assets	86.34	86.34	24.94	24.94
Current				
Trade receivables	41,828.09	41,828.09	45,127.29	45,127.29
Cash and cash equivalents	111.23	111.23	812.95	812.95
Other bank balances	423.32	423.32	1,699.09	1,699.09
Other financial assets	1,727.78	1,727.78	20,286.03	20,286.03
TOTAL	44,176.76	44,176.76	67,950.30	67,950.30
Financial liabilities				
Non-current				
Borrowings	321,194.94	321,194.94	330,493.52	330,493.52
Other financial liabilities	37,838.67	37,838.67	37,173.14	37,173.14
Current				
Borrowings	25,453.11	25,453.11	25,737.04	25,737.04
Trade payables	31,262.49	31,262.49	34,121.94	34,121.94
Other financial liabilities	19,978.17	19,978.17	3,365.57	3,365.57
TOTAL	435,727.38	435,727.38	430,891.21	430,891.21

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, bank balances other than cash, deposits with banks, interest accrued but not due, other current financial assets and current financial liabilities, approximates the fair values, due to their short-term nature.

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

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TRN Energy Private Limited

48. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings in foreign as well as domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade & other receivables, cash and short-term deposits that derive directly from its operations. The Company also enters into derivative contracts such as forward contracts and swaps. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The Company is exposed to the following risks from its use of financial instruments:
- Credit risk
- Liquidity risk
- Market risk

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Cash flow forecasting Sensitivity analysis	Availability of borrowing facilities
Market risk – foreign currency risk	- Future commercial transactions, - Recognised financial liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Cross currency swaps, diversification and regular evaluation of borrowings
Market risk – interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	

Risk management framework

The Company's activities makes it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

The Board of Directors and audit committee have overall responsibility for the establishment and oversight of the Company's risk management framework. The Committee has identified enterprise wide risk and various action plans for short term as well as long term which have been formulated to mitigate these risks. The Committee is also responsible for reviewing and updating the risk profile, monitoring the effectiveness of the risk management framework and reviewing at least annually the implementation of the risk management policy and framework. The Committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has policies covering specific areas, such as interest rate risk, foreign currency risk, commodity price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis.

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TRN Energy Private Limited

Financial instruments - Fair values and risk management (continued)

I. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company

Trade receivables
Customer credit risk is managed according to the Company's established policy, procedures and control relating to customer credit risk management Credit quality of a customer is assessed based on an credit rating scorecard and individual credit limits are defined in accordance with this assessment

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.
Since the Company has its customers within different states of India, geographically there is no concentration of credit risk However, management considers the factors that may influence the credit risk of its customer base, including the default risk of the industry

Cash and cash equivalents
The Company held cash and cash equivalents of Rs. 111.23 lakhs at 31 March 2022 (31 March 2021 Rs. 812.95 lakhs). The cash and cash equivalents are held with bank and financial institution with high rating.

Deposits with banks and financial institutions
Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	As at 31 March 2022	As at 31 March 2021
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash & cash equivalents	111.23	812.95
Other bank balances	423.32	1,699.09
Other financial assets	1,727.78	20,311.10
	2,262.33	22,823.14
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivable	41,828.09	45,127.29
	41,828.09	45,127.29

(ii) Provision for expected credit losses

(a) **Financial assets for which loss allowance is measured using 12 month expected credit losses**
The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, loss allowance for impairment has not been recognised.

(b) **Financial assets for which loss allowance is measured using life time expected credit losses**
The Company has customers with strong capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk except receivable from one of the customer. Hence, impairment loss has been recognised during the reporting period in respect of receivable from one of the customer

(iii) **Ageing analysis of trade receivables (refer note 8)**
The ageing analysis of the trade receivables is as below:

Particulars	As at 31 March 2022	As at 31 March 2021
Not due	1,921.22	10,725.39
0-30 days past due	14.59	329.85
31-60 days past due	-	0.09
61-90 days past due	-	5,976.32
91-180 dayspast due	-	4,659.34
More than 180 days past due	40,047.83	23,436.30
Total	**41,983.64**	**45,127.29**
Less: Provision for expected credit loss	155.55	-
Total	**41,828.09**	**45,127.29**

(iv) Reconciliation of impairment loss provisions
The Company has made provision for expected credit loss during the year. Reconciliation of the same is as under.-

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance of provision for expected credit loss	-	-
Add: Provision made for expected credit loss	155.55	-
Less: Bad-debts written off	-	-
Closing balance of provision for expected credit loss	155.55	-

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TRN Energy Private Limited

Financial instruments – Fair values and risk management (continued)

2 **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including anticipated future internally generated funds from operations, will enable it to meet its future known obligations in the ordinary course of business. The Company manages liquidity risk by maintaining adequate cash reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Further, liquidity requirements are maintained within the credit facilities established and are adequate and available to the Company to meet its obligations.

(a) Financing arrangements

There is no undrawn borrowing facilities by the Company at the end of the curent as well as previous year.

Particulars	As at 31 March 2022	As at 31 March 2021
Floating-rate borrowings		
Cash credit	-	-
Term loans	-	-
Foreign currency loans (in USD lakhs)	-	-

(b) The following are the contractual maturities of financial liabilities, based on contractual cash flows:

Contractual maturities of financial liabilities as at 31 March 2022	Not later than one year	Later than one year and not later than five years	Later than five years	Total
Non-derivative financial liabilities				
Term loans from banks	13,005.64	69,988.03	209,920.14	292,913.81
0.01% Redeemable preference shares	-	4,259.87	-	4,259.87
Retention money	416.82	20,347.97	-	20,764.79
Recovery on account of encashment of contract bank guarantees	-	8,698.37	-	8,698.37
Inter-corporate deposit	-	-	38,036.98	38,036.98
Interest accrued but not due	528.85	-	8,792.33	9,321.18
Interest accrued and due	17,496.81	-	-	17,496.81
Cash credit from bank	12,447.47	-	-	12,447.47
Trade and other payables	31,262.49	-	-	31,262.49
Creditors for capital purchase	1,378.18	-	-	1,378.18
Dues to employees	157.51	-	-	157.51
Total	**76,693.77**	**103,294.24**	**256,749.45**	**436,737.46**

Contractual maturities of financial liabilities as at 31 March 2021	Not later than one year	Later than one year and not later than five years	Later than five years	Total
Non-derivative financial liabilities				
Term loans from banks	2,401.41	64,322.30	226,365.25	293,088.96
0.01% Redeemable preference shares	-	4,274.43	-	4,274.43
Retention money	423.78	19,864.84	-	20,288.62
Recovery on account of encashment of contract bank guarantees	-	8,698.37	-	8,698.37
Inter-corporate deposit	1,040.00	-	36,996.98	38,036.98
Interest accrued and due	686.42	-	-	686.42
Interest accrued but not due	731.85	-	8,609.93	9,341.78
Cash credit from bank	13,757.90	-	-	13,757.90
Working capital demand loan	8,099.72	-	-	8,099.72
Funded interest term loan	192.84			192.84
Trade and other payables	34,121.94	-	-	34,121.94
Creditors for capital purchase	1,384.92	-	-	1,384.92
Dues to employees	138.60	-	-	138.60
Total	**62,979.38**	**97,159.94**	**271,972.16**	**432,111.48**

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TRN Energy Private Limited

Financial instruments – Fair values and risk management (continued)

3 **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return

The Board of directors is responsible for setting up of policies and procedures to manage market risks of the Company. The Company has entered into cross currency principal interest swap to hedge the interest rate and foreign exchange risk.

(a) Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The currency profile of financial assets and financial liabilities as at 31 March 2022 and 31 March 2021 are as below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	INR	USD (in lakhs)	INR	USD (in lakhs)
Non Derivative financial liabilities				
Retention money	14,083.44	185.78	13,600.13	185.78
Term loan	28,636.21	377.75	-	-
Interest accrued and due on term loan	557.44	7.35	-	-
	43,277.10	**570.88**	**13,600.13**	**185.78**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies as at 31 March 2022 (previous year ending as at 31 March 2021) would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	Closing rate as at 31 March 2022	Closing rate as at 31 March 2021	Profit/ (loss), net of tax for the year ended 31 March 2022		Profit/ (loss), net of tax for the year ended 31 March 2021	
			Strengthening	Weakening	Strengthening	Weakening
2% movement						
USD	75.81	73.21	563.08	(563.08)	176.95	(176.95)
			563.08	**(563.08)**	**176.95**	**(176.95)**

Outstanding derivative contracts

Category of derivative	Purpose of the derivative instrument	Outstanding Principal (in USD lakhs) As at 31 March 2022	Outstanding Principal (in USD lakhs) As at 31 March 2021
Currency swap settlement contract	To hedge foreign currency exposure on repayment of foreign currency loan and part interest on foreign currency loan	-	377.75
		-	For 1 contract

In September 2021, above mentioned currency swap settlement contract has been terminated by Axis bank. Consequentially, the risk on account of foreign exchange fluctuations on repayment of principal and interest is on the Company since there is no hedge on the foreign currency loan.

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TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

Financial instruments – Fair values and risk management (continued)

(b) Interest rate risk

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Financial Assets		
Fixed-rate instruments		
Deposit against DSRA	-	14,700.00
Bank balances other than cash and cash equivalents	484.74	1,699.09
	484.74	**16,399.09**
Financial Liabilities		
Fixed-rate instruments		
Inter-corporate deposits	38,036.98	38,036.98
0.01% Non Cumulative Redeemable preference shares of Rs.10 each	4,259.87	4,274.43
	42,296.85	42,311.41
Variable-rate instruments		
Secured term loan from bank	292,913.81	293,088.96
Working capital demand loan	-	8,099.72
Cash credits from banks	12,447.47	13,757.90
Funded interest term loan	-	192.84
	305,361.28	315,139.42
Total	347,658.13	357,450.83

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable-rate instruments

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

Particulars	Profit/ (loss), net of tax		Profit/ (loss), net of tax	
	For the year ended 31 March 2022		For the year ended 31 March 2021	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
Secured term loan from bank	(952.79)	952.79	(953.36)	953.36
Working capital demand loan	-	-	(26.35)	26.35
Cash credits from banks	(42.82)	42.82	(44.75)	44.75
Funded interest term loan	-	-	(0.63)	0.63
Total	**(995.61)**	**995.61**	**(1,025.09)**	**1,025.09**

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TRN Energy Private Limited

(All amounts are in Rupees lakhs, unless otherwise stated)

49. Disclosure of correction of prior period errors

The Company has during the financial year ended 31 March 2022, ascertained that the previous method of charging depreciation on thermal power plants was based on presumption of applicability of depreciation rates as prescribed by CERC pursuant to Tariff Policy under the Electricity Act, 2003 which was incorrect since the rates prescribed by CERC were not applicable to projects commissioned under competitive bidding route and selling power on competitive basis. Accordingly, based on necessary accounting opinion obtained, the Company has restated depreciation with retrospective effect as per Part 'A' of Schedule II to Companies Act, 2013 ("the Act") by assessing the useful life of Property, Plant & Equipment in respect of thermal power plants through independent technical evaluation. The Company has thus provided for depreciation on straight line method over the useful life of the assets as determined through independent technical evaluation of useful life of assets. The residual value of the assets has been considered as prescribed in Part C of the Schedule II of the Act.

The excess depreciation charged in earlier years has been restated by increasing the carrying value of assets of thermal power plants of the Company.

The restatement impact on prior periods balance sheets is as under:-

Particulars	Amount as per Balance sheet	Impact of correction of errors	Restated amount
ASSETS			
Property, plant and equipment			
As at 01 April 2020			
Carrying amount	383,395.87	-	383,395.87
Accumulated depreciation	64,883.18	(34,792.85)	30,090.33
Written down value	**318,512.69**	**34,792.85**	**353,305.54**
As at 31 March 2021			
Carrying amount	383,475.40	-	383,475.40
Accumulated depreciation	84,435.43	(45,305.30)	39,130.13
Written down value	**299,039.97**	**45,305.30**	**344,345.27**
Deferred tax assets (net)			
As at 01 April 2020	36,569.89	(24,439.75)	12,130.14
As at 31 March 2021	36,569.89	(24,439.75)	12,130.14
LIABILITIES			
Other equity			
Surplus in the Statement of Profit and Loss			
As at 01 April 2020	(57,962.97)	10,353.10	(47,609.87)
As at 31 March 2021	(92,012.54)	20,865.55	(71,146.99)

Restatement impact on profit and loss of prior period is as under:-

Particulars	Amount as per Profit & Loss A/c	Impact of correction of errors	Restated amount
Depreciation			
For the year ended 31 March 2021	19,552.25	(10,512.45)	9,039.80

Restatement on account of correction of prior period errors has a positive impact on Earning Per Share (EPS) for the year ended 31 March 2021, details of which are given as under:-

Impact on basic earning per share (in Rs.)	1.68
Impact on diluted earning per share (in Rs.)	1.68

50. The quarterly returns or statements of current assets filed by the Company with the Axis Bank Limited, Canara Bank and HDFC Bank Ltd. are in agreement with the books of accounts except as follows:

Particulars of securities provided	Quarter ended	Amount as per books of accounts	Amount as reported in the quarterly stock statements for calculation of drawing power	Differences	Reason for material discrepancies
Trade receivables and inventory net off trade payables	30-Jun-21	18,267.46	18,279.63	(12.17)	Differences are due to provisions etc
	30-Sep-21	10,106.84	9,948.97	157.87	
	31-Dec-21	2,463.27	2,319.61	143.66	
	31-Mar-22*	Nil	Nil	-	

The current assets and liabilities have been computed in accordance with sanctioned terms of working capital facilities by the lenders.

* The net working capital as per DP statement submitted to the lenders for 31 March 2022 as well as as per books of accounts were in negative figure. Therefore DP limit has been considered as Nil.

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TRN Energy Private Limited

TRN Energy Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless otherwise stated)

51 Ratio analysis

Sl no.	Ratio	Measured in	Numerator	Denominator	Ratio Current year	Ratio Previous year	% variance	Reason for variance
(i)	Current ratio	times	Current assets	Current liability	0.58	1.15	-50%	DSRA (assets) has been reduced to nill and interest accrued on term loan (liability) increased in current year.
(ii)	Debt-equity ratio	times	Total Debt = Current borrowings + Non current borrowings	Sahreholder's Equity	-2.45	70.05	-103%	Equity drastically down in current year majorly due to recognition of impairment loss on PPE & lower PLF of
(iii)	Debt service coverage ratio	times	Earnings available for debt service = Net Profit after taxes + Non cash operating expenses + Interest expenses	Debt Service = Interest & Lease Payments + Principal Repayments due during the year	-0.08	0.27	-131%	Plant was runing at very low PLF during the year resulting operational loss during the year.
(iv)	Return on equity ratio	%	Net Profits after taxes	Avg Shareholder's Equity	2.15	-1.40	-253%	Equity drastically down in current year majorly due to recognition of impairment loss on PPE & lower PLF of the
(v)	Inventory turnover ratio	times	Cost of goods sold	Avg Inventory	NA	NA	NA	The Company is not a trading concern and hence this ratio is not applicable.
(vi)	Trade receivables turnover rati	times	Net Credit Sales	Avg. Trade Receivable	0.52	1.54	-66%	Turnover drastically reduced in current year due to lower PLF of the plant.
(vii)	Trade payables turnover ratio	times	Net Credit Purchases	Avg Trade Payables	NA	NA	NA	The Company procure main fuel (coal & LDO) after making payment and hence no credit purchase.
(viii	Net capital turnover ratio	times	Total income	Working Capital	-0.74	7.04	-110%	Turnover drastically reduced, current assets reduced and current liability increased in current year.
(ix)	Net profit ratio	%	Net Profit after tax	Total income	-5.69	-0.32	1680%	There is huge loss in current year due to lower PLF of plant and recognition of impairment loss on PPE.
(x)	Return on capital employed	times	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt	-0.07	0.05	-227%	There is huge loss in current year due to lower PLF of plant.
(xi)	Return on investment	%	Income generated from investments	Time weighted avg. investments	NA	NA	NA	There is no investment in the Company.

N G C & COMPANY LLP * Chartered Accountants * New Delhi

TRN Energy Private Limited

52. Exceptional items

Impairment loss on Property, plant and equipment (PPE)
'As required by Indian Accounting Standards (Ind AS) 36 "Impairment of Assets", an entity shall assess at the end of each reporting period whether there is any indication that an asset may be impaired

During the financial year ended 31 March 2022 and even during the period subsequent to the year end, the Company continues to face financial constraints as explained in various notes to financial statements. The same has also been described in Note 39 to financial statements i.e. Going Concern.

The account of the Company was classified as non performing asset (NPA) by its term loan and working capital lenders in December 2021 as the Company was not able to service its financial obligations due to cash flow constraints. Further, the Company has not been able to service its obligations towards the lenders subsequent to financial year ended 31 March 2022. Non servicing of debt obligations is an indicator for testing the assets of the Company for impairment provision.

Accordingly, the Company has projected its future cash flows to be generated from its thermal power plants over the life of PPA. Based on such projected future cash flows, an impairment analysis was carried out in respect of the PPE. As per the impairment testing so conducted, the Company has accounted for impairment losses of Rs. 86,800.00 lakhs on PPE during the year ended 31 March 2022.

The carrying value of PPE as on 31 March 2022 after considering the impact of impairment provision of Rs. 86,800 lakhs is Rs 248,645.56 lakhs.

53. **Capital Management**

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and
- maintain an appropriate capital structure of debt and equity.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

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

The Company monitors capital, using a medium term view of three to five years, on the basis of a number of financial ratios generally used by industry and by the rating agencies.

The Company monitors capital using gearing ratio which is net debt divided by total equity. Net debt comprises of long term and short term borrowings less cash and cash equivalent. Equity includes equity share capital and reserves that are managed as capital. The gearing ratio at the end of the reporting periods was as follows:

	As at 31 March 2022	As at 31 March 2021
Net debts	346,536.82	355,417.61
Total equity	(141,412.19)	5,085.43
Net debt to equity ratio	(2.45)	69.89

54. **Recent Accounting Developments-**
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022 as below:

(i) **Ind AS 16 - Property, Plant and Equipment (PPE)**
The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing while preparing the asset for its intended use (if any), shall not be recognise in the profit or loss but deducted from the directly attributable cost considered as part of cost of an item PPE. The Company has evaluated the amendment and there is no impact in recognition of its property, plant and equipment on its financial statements

(ii) **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets:-**
The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

(iii) **IND AS 103: Business combination**
The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework), issued by the ICAI at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

N.G.O & COMPANY LLP New Delhi Chartered Accountants

TRN Energy Private Limited

(iv) **Ind AS 109 - Financial Instruments:-**
The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability or to consider as modification of existing financial liability. The Company does not expect the amendment to have any significant impact in its financial statements

55. **Disclosures in compliance with amendment in Schedule III**

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not provided loans or advances in the nature of loans to promoters, directors, KMP's and other related parties during

(iii) The Company has not entered any transactions with companies that were struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) There is no investment of the Company and hence clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Company.

(vi) During the year, no scheme of arrangements in relation to the Company has been approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013. Accordingly, aforesaid disclosure are not applicable, since there were no transaction.

(vii) The Company does not have any such transaction which is not recorded in books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(viii) Pursuant to the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, 2% of the Average Net Profits of the Company for the last three financial years computed in accordance with section 198 of the Companies Act, 2013 comes to a negative amount and hence, the Company is not required to incur any expenses towards Corporate Social Responsibility activities for the financial year 2021-22.

(ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(x) The Company has not advanced/ loaned/ invested funds (either borrowed funds/ share premium/ any other sources/ kind of funds) to any other person(s)/ entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing/ otherwise) that the Intermediary shall

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;

(xi) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

56. The figures for the corresponding previous year have been regrouped/reclassified wherever necessary to make them comparable.

57. The financial statements of the Company for the year ended 31 March 2022 were approved for issue by the Board of Directors on 27 September 2022.

As per our report of even date attached

For N G C & Company LLP
Chartered Accountants
ICAI Firm Registration No. : 033499N/ N500390

N G C & COMPANY LLP New Delhi Chartered Accountants

Raina Bajaj
Partner
Membership No.: 526726
Place : Gurugram
Date : 27 September 2022

For and on behalf of the Board of Directors of
TRN Energy Private Limited

Sameer Hasmukhlal Darji
Managing Director and CFO
DIN: 03440265
Place : Gurugram
Date : 27 September 2022

Sanjay Jain
Director
DIN: 00364854
Place : Gurugram
Date : 27 September 2022

Vivek Jain
Company Secretary
PAN: ADIPJ5412E
Place : Gurugram
Date : 27 September 2022

TRN Energy Private Limited