

GMR WARORA ENERGY LIMITED

Regd Off: 701, 7th Floor, Naman Centre, A-Wing
Bandra Kurla Complex, Bandra, Mumbai - 400 051

(CIN: U40100MH2005PLC155140; T: 022- 42028000; website: www.gmrgroup.in)

Notice is hereby given that the Fifteenth Annual General Meeting of the Company will be held at a shorter notice on Wednesday, September 30, 2020, at 11.00. am, at the corporate office of the Company at New Shakti Bhawan, New Udaan Bhawan Complex, Opposite T-3, IGI Airport, New Delhi-110037, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements viz. Balance Sheet as at March 31, 2020 together with the Statement of Profit and Loss for the year ended on that date, and Board's report and Auditors report thereon.
2. To appoint a director in place of Mr. Ashis Basu (DIN 01872233), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. APPROVAL OF REMUNERATION OF THE COST AUDITOR

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Narasimha Murthy & Co., Cost Accountants having firm registration no.000042, appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records of the Company, for the financial year 2020-21, be paid a remuneration of Rs.50,000/- (Rupees Fifty Thousand only) plus out of pocket expenses to be reimbursed on actual basis and other applicable taxes.

RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. APPROVAL FOR APPOINTMENT OF MR. S. RAJAGOPAL AS A DIRECTOR OF THE COMPANY (DIN: 00022609)

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

"RESOLVED THAT pursuant to the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'the Act', which expression shall include any statutory modification or re-enactment thereof), Mr. S. Rajagopal, having Director Identification No. 00022609 who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 27, 2020 in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice from one of the Members proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to retirement by rotation."

By Order of the Board
For **GMR Warora Energy Limited**



Sanjay Kumar Babu
Sanjay Kumar Babu
Company Secretary

Date: July 24, 2020
Place: New Delhi

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. SUCH A PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. The Register of Directors' shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
5. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

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

Item No. 3

The Board in its meeting held on July 24, 2020, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s. Narasimha Murthy & Co., Cost Accountants having firm registration no.000042 to conduct the audit of the cost records of the Company for the financial year ended March 31, 2021 at remuneration as detailed in the resolution.

In accordance with the provisions of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is being sought for ratification of the remuneration payable to Cost Auditors for the financial year ended March 31, 2021

The Board recommends the Ordinary Resolutions set out at Item No. 4 of the Notice, for approval by the members.

None of the other Directors/ Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested financially or otherwise, in these resolutions.

Item No. 4

Mr. S Rajagopal was appointed as an Additional Director of your Company with effect from March 27, 2020 vide circular resolution of the Board of Directors passed on March 26, 2020 and holds office as an Additional Director till the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013. The Company has received a notice from a shareholder in terms of the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the Directorship in the non-independent category of the Company, at the ensuing Annual General Meeting.

The Nomination and Remuneration Committee of Board of Directors and the Board of Directors in their respective meetings held on July 24, 2020, have recommended the appointment of Mr. S. Rajagopal as Director of the Company, whose period of office shall be liable to retirement by rotation.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. S Rajagopal is appointed as Director on the Board of the Company. The Company has received his consent and requisite disclosures for the aforesaid appointment.

Save and except Mr. S. Rajagopal, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution for approval of the shareholders.

By Order of the Board
For **GMR Warora Energy Limited**




Sanjay Kumar Babu
Company Secretary

Date: July 24, 2020
Place: New Delhi

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Attendance Slip

DP ID		FOLIO NO. / CLIENT ID		No. of shares	
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Name(s) and address of the member in full: _____
I/We hereby record my/our presence at the Fifteenth Annual General Meeting of the Company to be held on September 30, 2020 at 11.00. am, at the corporate office of the Company at New Shakti Bhawan, New Udaan Bhawan Complex, Opposite T-3, IGI Airport, New Delhi-110037

Member

Proxy

Signature of Member / Proxy

GMR WARORA ENERGY LIMITED

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 Bandra Kurla Complex, Bandra, Mumbai – 400 051
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Proxy form**Form No. MGT-11**

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

Name of the member(s): Registered address:		E-mail Id: Folio No/Client Id*: DP ID*:	
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I/We, being the member (s) of _____ shares of GMR Warora Energy Limited, hereby appoint:

1. _____ of _____ having e-mail id _____ or falling him
2. _____ of _____ having e-mail id _____ or falling him
3. _____ of _____ having e-mail id _____ or

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Fifteenth Annual General Meeting of the Company to be held on September 30, 2020 at 11.00. am, at the corporate office of the Company at New Shakti Bhawan, New Udaan Bhawan Complex, Opposite T-3, IGI Airport, New Delhi-110037 and / or at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Ordinary Business
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2020, the Reports of the Board of Directors and Auditors thereon.
2.	To appoint a director in place of Mr. Ashis Basu (DIN 01872233), who retires by rotation and being eligible offers himself for re-appointment
	Special Business
3.	To approve remuneration of the cost auditor for the FY 2020-21.
4.	Approval for appointment of Mr. S. Rajagopal as a director of the company (Din: 00022609)

Signed this _____ day of _____ 2020

Signature of Member

Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.

**VENUE MAP OF ANNUAL GENERAL MEETING OF GMR WARORA ENERGY LIMITED
SCHEDULED TO BE HELD ON SEPTEMBER 30, 2020**



GMR WARORA ENERGY LIMITED

Registered Office: No.701/704, 7th Floor, Naman Centre, A Wing,
Bandra Kurla Complex, Bandra, Mumbai, Maharashtra - 400 051
(CIN: U40100MH2005PLC155140; T: 022-42028000; website: www.gmrgroup.in)

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting before you the Fifteenth Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2020.

FINANCIAL / OPERATIONAL SUMMARY

The financial status of the Company as on March 31, 2020 is as under:

(Amount in Rs. million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Income	18497.97	19230.68
Expenditure	17762.47	18310.77
Profit/(Loss) Before Taxation	735.50	919.91
Tax expense	2873.57	(1704.68)
Profit/(Loss) After Taxation	(2138.07)	2624.59
Total Comprehensive income for the year	(2138.89)	2624.51

STATUS OF THE PROJECT

The Plant consists of 2 x 300 MW coal fired Units with all associated auxiliaries and Balance of Plant Systems. Both the 300 MW units (Unit #1, #2) have been constructed, commissioned and COD of both the units have already been declared and are operational. Both the FSA, ACQ quantities have been successfully amended to 1.3 Million Tonnes (each) and now Company has a Coal Supply Agreement with SECL for a Total ACQ of 2.6 Million Tonnes per annum.

Major Highlights of the FY 2019-20:

- Plant has achieved Gross PLF of 78.5% with 90.6% Availability.
- PPA compliance for MSEDCL is 85.2%, DNH is 86.9%, and for TNSLDC is 86.7%.
- 106.27% Ash Utilization was achieved by tying with nearby Cement Industries, NHAI for Fly Ash & various Brick Manufacturers for Bottom Ash.
- Reliable operation of the plant had resulted in significant improvement of key performing indicators like reduction in APC, Specific oil consumption, and water makeup.
- 100% compliances to all applicable Legal & Statutory requirement was Completed. Continuous monitoring & updating is being done through Legatrix.
- The Company's Business excellence Manual was prepared in line with GMR group business excellence model and was released during the year.
- 10 continuous improvement projects completed by using Six-Sigma methodology resulted in improving efficiency and reliability of machine. This year 42 employees have been trained as green belt.

The plant received the following awards & Certifications in various categories:

Awards:

- i. GWEL Occupational Health and safety management system conferred with "Sword of Honour" by British safety council.
- ii. Received "**National Award for Excellence in Energy Management**" by confederations of Indian Industry.

Certifications

- i. ISO 9001, EnMS and ISMS Surveillance audit successfully completed without non-conformities.
- ii. To sustain various health and safety initiatives, GWEL had implemented ISO OHSMS 45001 system.
- iii. GWEL Coal and water labs surveillance audit completed without any non-conformities by National Accreditation Board for Testing & Calibration (NABL).
- iv. ISO 17025:2017 NABL recertification Audit for pressure & temperature element calibration completed.

Way Forward:

- o Health and hygiene initiatives to make contact less security management system, and further improvement in hygiene factor.
- o Installation of Symphony plus HMI software in U-2 Distributed control system to improve system reliability.
- o Installation of 5MW Floating solar plant at reservoir.
- o APC reduction by installation of intelligent flow controller in Air compressor to improve efficiency and Installation of VFD in Induced draft fans.

Impact of Covid-19

Electricity supply is notified as essential services by Ministry of Home affairs. The Company is generating electricity as per demand from DISCOMs. However, the power offtake by DISCOMs across the country has gone down including the DISCOMs which offtake power from the Company. Besides, coal materialization is reduced because of lockdown and delay in collection from customers. It is expected that a minimum time period of 6-8 months may take to overcome this challenge. Coal India Limited allowed purchase of coal through letter of credit, which is availed by Company to maintain consistent supply of coal. Recovery of regulatory receivables is also delayed due to lockdown/ CERC adjournment. The six month's moratorium on debt servicing as per RBI COVID-19 notifications and the infusion of funds by Central Government to Power Distribution Co./DISCOMs are much needed measures for the revival of the power distribution sector. Such relaxations will enable the company to manage the liquidity position in the interim period.

The Company is complying with statutory obligations on timely basis and incurring fixed Costs such as O&M expenses, salary & admin expenses which despite of lower power offtake by DISCOMs leading to increase in average cost of power supply.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report.

SHARE CAPITAL

The Company's authorized capital stands at Rs.11,000,000,000 divided into 900,000,000 equity shares of Rs.10/- each and 200,000,000 preference shares of Rs.10/- each. The

current paid-up capital consists of 87,00,00,000 Equity shares of Rs.10/- each and 170,008,060 Compulsorily Convertible Preference shares of Rs.10/- each.

The Company continues to retain its status as direct subsidiary of GMR Energy Limited, and by virtue of section 2(87) of the Companies Act, 2013 (the Act), it continues to be subsidiary of GMR Infrastructure Limited.

SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Ventures or Associate Companies of its own and hence the statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures, as required to be provided in Form-AOC 1, is not applicable.

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

Since the Company does not have Subsidiary, Joint Venture or Associate Company, this section is not applicable.

DIVIDEND

The Board do not recommend any dividend for the year 2019-20.

TRANSFER TO RESERVES

During the year there was no transfer of fund to any reserves.

BOARD MEETING

The Board of Directors met five times during the financial year. The intervening gap between two consecutive meetings was not more than the period prescribed under the Act. The details are given in the Corporate Governance section of this Report.

FIXED DEPOSITS

During the year under review the Company has neither invited nor accepted any fixed deposits from the public.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from independent directors of the Company under Section 149(7) of the Act that they meet the criteria of independence laid down in Section 149(6) of the Act.

ANNUAL RETURN

As required pursuant to Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT 9 as a part of this Annual Report is attached as **Annexure-I**. Further a copy of annual return in Form MGT 7 is available at the Company's webpage at <https://www.gmrgroup.in/warora-energy-ltd/>

DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

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

- a) that in the preparation of the annual financial statements for the year ended 31st March 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls to be followed by the Company have been laid down and that the financial controls are adequate and were operating effectively.
- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loan to a fellow subsidiary/holding company during the year ended March 31, 2020, for the purpose of providing financial assistance. The Company has not provided any security or guarantee to any other company during the year under review. Further, no investment was made by the Company in the securities of other companies during the year.

AUDITORS & AUDITORS' REPORT

Statutory Auditors:

M/s S.R Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Company were appointed at the AGM held on September 27, 2019 to hold the office for a period of five years, until the conclusion of the AGM to be held in the year 2024. Accordingly, they continue to be the Auditors of the Company. The Company has received letter from them to the effect that their appointment continues to be within the prescribed limits under Section 141(3)(g) of the Act and they are not disqualified for the remaining tenure of their appointment.

Also, the requirement for ratification of appointment of Statutory Auditors by shareholders at every Annual General Meeting under section 139 of the Act has been removed by the Companies (Amendment) Act, 2017.

The audit report on the annual financial statements of the Company for the year ended on March 31, 2020 does not contain any qualification, reservation or adverse remarks. The notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

No fraud has been reported by the Auditors u/s 143(12) during the FY 2019-20.

Secretarial Auditors:

M/s S. Behera & Co, Practising Company Secretaries, were appointed as Secretarial Auditors to conduct Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith as **Annexure-II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Auditors:

The Board of Directors has appointed M/s Narasimha Murthy & Co. Cost Accountants, to conduct Cost Audit for the financial year 2019-20.

The Cost audit for the financial year ended March 31, 2019 does not contain any qualification, reservation or adverse remark. The Cost Audit Report of the Company for the financial year ended March 31, 2019 was filed in XBRL mode on August 13, 2019. The Cost Audit for the financial year ended March 31, 2020 is under process.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**(A) Conservation of energy:**

Following steps are taken on conservation of Energy which optimizes the Auxiliary consumption of Plant:

- o CSU Screw conveyor bypass modification work.
- o Reduction in Generator Windage losses by improvement in H2.
- o Heat rate improvement through CT fills replacement and condenser cleaning.
- o Reduction in Auxiliary Power Consumption in Flue gas Air handling Fans by working in Flue gas ducts.
- o Turbine heat rate improvement by Overhauling of HIP Turbine & Low-Pressure turbine.

Improvement in Boiler efficiency by valve servicing and coal mill orifice

(B) Technology absorption:

Efforts, in brief, made towards technology absorption:

- i. Installation of "As is diagnostic software tool -MarginMax" for strategic advisory support in UI management.
- ii. Installation of Vibro feeder in Truck hopper system to reduce Diesel consumption in coal handling plant.
- iii. Installation of Advance drift eliminator in cooling tower to minimize losses.
- iv. Installation of ABB make excitation system in U-1 Generator and PSS tuning completed.

(C) Environment Health and safety:

- I. Implementation of End to End comprehensive EHS management system "SARATHI". Digitalized 24 modules like incident management, Root cause analysis, and Risk management, etc.
- II. Initiated Mass plantation of 5000 plants in and around plant vicinity under the theme of "Connecting People to Nature".
- III. Ban of Single usage plastic as per government guidelines.
- IV. To manage the health and wellness at the workplace, series of programs taken under "Nirmal Jivan"
 - a. Better body Better life -Weight loss competition
 - b. Navchetna Shibir for employees,
 - c. Counseling to employees on Health by the dietician
 - d. Yoga shibir,

e. Fun run, sports activities

2. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: - Not Applicable

(a) Details of technology imported- N.A

(b) Year of import. N.A

(c) Whether the technology been fully absorbed. N.A

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore. N.A

3. Expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo:

Foreign Exchange Earnings during the Financial Year 2019-2020 is Nil.

Foreign Exchange Outflow during the Financial Year 2019-2020 is Rs.13.14 Crore

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, Central Electricity Regulatory Commission (CERC) had issued the order based on the direction of the Appellate Tribunal, in which formula for calculating compensation on account of change in law during the operation period is evolved. The order disposed of in favour of the Company allowing the claim for additional components in respect of customers, Maharashtra State Electricity Distribution Company Limited (MSEDCL) & Dadra Nagar Haveli (DNH). Additional incremental revenue booked for CIL / CPT for FY 19-20 is Rs.6 Cr.

INTERNAL FINANCIAL CONTROLS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Dhanajay Deshpande and Mr. Sanjay Narayan Barde were re-appointed as Whole Time Director w.e.f. November 23, 2019 and January 01, 2020 respectively.

Mr. Ashis Basu is retiring by rotation at the ensuing Annual General Meeting and being eligible has offered for reappointment.

During the year under review, the following officials continued holding the position(s) of KMP:

- Mr. Dhananjay Deshpande as Whole-time Director of the Company.
- Mr. Ashish Vinay Deshpande as Chief Financial Officer (CFO) of the Company.
- Mr. Sanjay Kumar Babu as Company Secretary of the Company.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and hence, did not attract the provisions of Section 188 of the Companies Act, 2013 read with the Rules framed thereunder, the particulars required to be disclosed pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014, in prescribed Form

AOC- 2, are, thus, not applicable to the Company. The details of transactions are provided in the financial statement (Please refer to Note 30 to the financial statement).

VIGIL MECHANISM

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

RISK MANAGEMENT

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

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

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

All the Directors of the Company are covered by Directors' & Officers Liability Policy taken by GMR Infrastructure Limited, holding Company with the Insurance Company.

FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of the Act, the Board has carried out the annual performance evaluation of its own performance, as well as the evaluation of the working of the Board and its Committees. The evaluation was based on structured questionnaire, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

LISTING

The Non-Convertible Debentures of the Company are listed on the debt segment of BSE Ltd. The annual listing fee for the year 2019- 20 has been paid to the Exchange.

SECRETARIAL STANDARDS

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

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

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

GMR Group recognizes that sexual harassment violates fundamental rights of gender equality, right to life, liberty and right to work with human dignity as guaranteed by the Constitution of India. The Group had constituted an Internal Complaints Committee (ICC) and had implemented a detailed policy against sexual harassment at work place. During the year ended 31 March, 2020, no complaint of sexual harassment was received.

Awareness programmes were conducted across the Company to sensitize employees to uphold the dignity of their colleagues at the workplace, particularly with respect to prevention of sexual harassment.

CORPORATE SOCIAL RESPONSIBILITY

A Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy of the Company is given as **Annexure-III**.

During the year, the Company has spent Rs.304.30 lakh on CSR activities, against the prescribed amount of Rs.302.20 for the FY 2019-20 as per the terms of Section 135 of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as **Annexure-IV**.

DISCLOSURE IN TERMS OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Clause 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company discloses information as under:

Details of Debenture Trustee:

Name of the Debenture Trustee	M/s Axis Trustee Services Limited
Address	Axis House, 2nd Floor, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhakar Marg, Worli, Mumbai-400025. Telephone No-022-24255237
Contact Person-	Ms. Swati Borkar Manager

The audited financial statements i.e balance sheet as at March 31, 2020, profit and loss account and the cash flow statement i.e for the year ended March 31, 2020, auditors' report and Directors report forms part of the Annual Report.

Details of the related party disclosures have been made in the notes to accounts of the audited financial statements.

INFORMATION AS PER RULE 5(1) OF CHAPTER XIII OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- a. The ratio of the remuneration of each Director to the median remuneration of the employees and the performance of the Company for the year 2019-20 is as below:

Mr. Srinivas Bommidala, Managing Director:29.27; Mr. Ashis Basu, WTD:21.94
Mr. S.N Barde, WTD :25.17; Mr. Dhananjay Deshpande, WTD:9.12

The performance of the Company has been already mentioned in financial/operational summary section of the Board's Report.

- b. The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Mr. Srinivas Bommidala: 1.30%
Mr. Ashis Basu (Whole-time Director): 6.86%

Mr. S. N Barde (Whole-time Director): 5.56%
 Mr. Dhananjay Deshpande (Whole-time Director): 6.17%
 Mr. Ashish Vinay Deshpande (Chief Financial Officer): 7.09%
 Mr. Sanjay Kumar Babu (Company Secretary): 7.88%

- c. The percentage increase in the median remuneration of employees in the financial year: Approximately 23.46%
- d. The number of permanent employees on the rolls of the Company as of March 31, 2020 is 223.
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial: Remuneration: 4.72. The increments given on 1st July every year depended on performance ratings and as per Group Corporate Policy.
- f. It is affirmed that the remuneration is as per the remuneration policy of the Company.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

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

Name	Designation	Remuneration received (Rs.)	Nature of Employment Contractual or Permanent	Qualification and Experience (in years)	Date of joining	Age of Employee	Particulars of last employment	Equity Share held by the employee in the Company	Relative of any director or manager of the Company, if any.
Srinivas Bommidala	Business Chairman	29,412,324.01	Permanent	B.Com	08.03.2004	57	Bommidala Group	Nil	N.A
Sanjay Barde	CEO Energy Business	25,297,910.16	Permanent	B.E	02.07.2004	63	BSES/RELIANCE ENERGY	Nil	N.A
Ashis Basu	CEO Energy Corporate	22,044,921.02	Permanent	C.A	17.12.2001	58	Balaghar Power	Nil	N.A
Mohan S Chenna Kesava Reddy Biddala	Sector CHRO Energy Head-Mining & Coal Sourcing	13,499,853.61	Permanent	MHRM	16.08.2010	57	JSW Energy Limited	Nil	N.A
		11,167,764.53	Permanent	MBA	11.03.2016	60	Essar Power Jharkhand Ltd	Nil	N.A

- ii. Details of top ten employees in terms of remuneration

Name	Designation	Remuneration received (Rs.)	Nature of Employment Contractual or	Qualification and Experience (in	Date of joining	Age of Employee	Particulars of last employment	Equity Share held by the employee in the	Relative of any director or manager
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			Permanent	years)				Company	Relative of the Company, if any.
Srinivas Bommidala	Business Chairman	29,412,324.01	Permanent	B.Com	08.03.2004	57	Bommidala Group	Nil	N.A
Sanjay Barde	CEO - Energy Business	25,297,910.16	Permanent	B.E	02.07.2004	63	BSES/REL IANCE ENERGY	Nil	N.A
Ashis Basu	CEO - Energy Corporate	22,044,921.02	Permanent	C.A	17.12.2001	58	BALAGAR H POWER	Nil	N.A
Mohan S	Sector CHRO - Energy	13,499,853.61	Permanent	MHR M	16.08.2010	57	JSW Energy Limited	Nil	N.A
Chenna Kesava Reddy Biddala	Head-Mining & Coal Sourcing	11,167,764.53	Permanent	MBA	11.03.2016	60	Essar Power Jharkhand Ltd	Nil	N.A
Dhananjay Deshpande	Chief Operating Officer - GWEL	9,164,686.40	Permanent	MBA	24.09.2012	57	Lanco Power Limited	Nil	N.A
Nirjhar Sarkar	Chief Financial Controller - Energy	7,466,812.24	Permanent	PhD	17.08.2017	59	Alstom Bharat Forge Project P Ltd	Nil	N.A
Arabinda Pani	Head - Operations & Maintenance	6,810,512.84	Permanent	PGDB M	11.03.2015	56	KSK	Nil	N.A
Prabir Kumar Majumdar	Deputy Chief Executive Of	6,584,976.98	Permanent	M.Tech	12.12.2016	61	Jindal India Thermal Power Ltd	Nil	N.A
Avinash Shah	CEO - International Coal Assets	6,164,054.00	Permanent	PGD M	21.07.2006	63	IBM	Nil	N.A

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

Name	Designation	Remuneration received (Rs. in cr)	Nature of Employment Contractual or Permanent	Qualification and Experience (in years)	Date of joining	Age of Employee	Particulars of last employment	Equity Share held by the employee in the Company	Relative of any director or manager of the Company, if any.

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REPORT ON CORPORATE GOVERNANCE

1. The Company has always placed thrust on managing its affairs with diligence, transparency, responsibility and accountability. The Company runs on the broad principles of Corporate Governance and lays emphasis on best practices in achieving its objectives. The Company as a part of GMR Group continues to drive innovations in policies, practices and disclosures on corporate political activities and other key governance areas.

2. BOARD OF DIRECTORS

a) *Composition:* The Board of the Company comprises of the following Directors:

S. No.	Name of the Director	Position	Category
1.	Mr. Srinivas Bommidala	Managing Director	Executive
2.	Mr. Ashis Basu	Whole-time Director	Executive
3.	Mr. S.N. Barde	Whole-time Director	Executive
4.	Mr. Dhananjay Deshpande	Whole-time Director	Executive
5.	Ms. Meena Raghunathan	Director	Non-Executive
6.	Mr. S. Rajagopal	Director	Non-Executive
7.	Dr. M Ramachandran	Director	Independent Director
8.	Mr. S.K Goel	Director	Independent Director

b) *Meetings of the Board:*

Five meetings of the Board were held on the following dates during the year ended on March 31, 2020:

1. April 23, 2019,
2. July 15, 2019,
3. August 26, 2019,
4. October 25, 2019,
5. January 20, 2020,

The details of attendance at Board Meetings either in person or through video conferencing during the financial year 2019-20 and at the Annual General Meeting of the Company are detailed below:

Name of Directors/DIN	Attendance at the Board Meeting(s)			Attendance at last AGM
	Held	Held during tenure	Attended	
Srinivas Bommidala (DIN:00081464)	5	5	2	Yes
Ashis Basu (DIN: 01872233)	5	5	2	No
S. N Barde (DIN: 03140784)	5	5	4	No
Dhananjay Deshpande (DIN:07663196)	5	5	5	No
Meena Raghunathan	5	5	4	No

(DIN:07145001)					
Dr. Ramachandran (DIN:01573258)	M	5	5	5	No
S. K Goel (DIN:00492659)		5	5	5	No

Separate Meeting of the Independent Directors:

The Independent Directors held a Meeting on July 15, 2019, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- I) Reviewed the performance of non-independent directors and the Board as a whole;
- II) Reviewed the performance of the Whole-time Director of the Company, taking into account the views of other Executive Directors and Non-Executive Directors;
- III) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

3. AUDIT COMMITTEE CONSTITUTION

a) Composition of the Committee.

The current composition of the Audit Committee is as follows:

Name	Position	Category
Dr. M Ramachandran	Member	Independent
Mr. S.K Goel	Member	Independent
Mr. S.N. Barde	Member	Executive

The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013. The Company Secretary acts as Secretary to the Audit Committee. All recommendations made by the Audit Committee during the year were accepted by the Board.

b) Meetings of the Audit Committee:

Five Meetings of the Audit Committee were held on the following dates during the year ended on March 31, 2020:

1. April 23, 2019,
2. July 15, 2019,
3. August 26, 2019,
4. October 25, 2019,
5. January 20, 2020,

The Committee reviewed the periodical financial statements and the observations of the Internal Auditors and Statutory Auditors. Whenever the committee reviewed the Internal Audit Report and the financial statements, on invitation, the Statutory Auditors and Internal Auditors attended the Committee Meetings and submitted their observations to the Committee.

The details of attendance at Audit Committee Meetings either in person or through video conferencing during the financial year 2019-20:

Name of Directors/DIN	Attendance at the Audit Committee Meeting(s)		
	Held	Held during tenure	Attended

Mr. S. N Barde	5	5	4
Mr. S. K Goel	5	5	5
Dr. M Ramachandran	5	5	5

4. NOMINATION AND REMUNERATION COMMITTEE

a) *Composition of the Committee.*

The current composition of the Nomination and Remuneration Committee is as follows:

Name	Category
Mr. S.K Goel	Independent
Dr. M Ramachandran	Independent
Ms. Meena Raghunathan	Non-Executive

The composition of the Nomination and Remuneration Committee meets the requirements of Section 178 of the Companies Act, 2013.

b) *Meetings of the Nomination and Remuneration Committee:*

During the year ended, a meeting of Nomination and Remuneration Committee was held on August 26, 2019 and October 25, 2019 respectively

The details of attendance at Nomination Remuneration Committee Meetings either in person or through video conferencing during the financial year 2019-20

Name of Directors/DIN	Attendance at the Nomination & Remuneration Committee Meeting(s)		
	Held	Held during tenure	Attended
S. K Goel (DIN:00492659)	2	2	2
Dr. M Ramachandran (DIN:01573258)	2	2	2
Ms. Meena Raghunathan	2	2	1

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

There were no other pecuniary relationships or transactions of the Independent Directors vis-à-vis the Company.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a) *Composition of the Committee.*

The current composition of the Corporate Social Responsibility Committee is as follows:

Name	Category
Mr. S.N. Barde	Non-Executive director
Ms. Meena Raghunathan	Non-Executive director
Dr. M Ramachandran	Independent director

The composition of the Corporate Social Responsibility Committee meets the requirements of Section 135 of the Companies Act, 2013.

b) *Meetings of the Corporate Social Responsibility Committee:*

During the year ended, meeting of *Corporate Social Responsibility Committee* meeting was held on July 15, 2019 which was attended by Ms. Meena Raghunathan, Mr S.N Barde and Dr. M Ramachandran

6. EXECUTIVE COMMITTEE

a) *Composition of the Committee.*

The current composition of the Executive Committee is as follows:

Name	Category
Mr. S.N. Barde	Executive director
Mr. Ashis Basu	Executive director

b) *Meetings of the Executive Committee:*

During the year ended, meeting of Executive Committee meeting was held on September 24, 2019, December 04, 2019 and December 31, 2019

7. GENERAL BODY MEETINGS

a) Details of location and time of holding the last three AGMs:

Year	Location	Date & Time	Special Resolutions passed
2016-17	No.701/704, 7th Floor, Naman Centre, A Wing, Bandra Kurla Complex, Bandra, Mumbai, Maharashtra -400 051	August 30, 2017 at 11.00 a.m	<ul style="list-style-type: none"> o Approval of remuneration of cost auditor. o Approval of remuneration of Mr. GBS Raju, Managing Director
2017-18	-----do-----	August 30, 2018 at 11.00 a.m	<ul style="list-style-type: none"> o Appointment of Dr. M Ramachandran as Independent Director o Appointment of Mr. Srinivas Bommidala as Director.
2018-19	-----do-----	September 27, 2019 at 11.00 a.m	<ul style="list-style-type: none"> o Approval of remuneration of the Cost Auditor o Re-appointment of Mr. S.K Goel as an Independent Director of the company

b) All special resolutions placed before the shareholders at the above meetings were approved.

c) During the financial year 2019-20 one Extra-Ordinary General Meetings was held on February 13, 2020 per below:

Date & Time	Resolutions passed
February 13, 2019	<ul style="list-style-type: none"> o Re- appointment and remuneration of Mr. Sanjay Narayan Barde as a whole-time director of the company o Re-appointment and remuneration of Mr. Dhananjay Deshpande as a whole-time director of the company

8. MEANS OF COMMUNICATION

The Company communicates with its shareholders through its Annual Report and General Meetings. Information and latest updates and announcement regarding the Company and about the group can be accessed at Group's web site: www.gmrgroup.co.in.

9. GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting

Date : Wednesday, September 30, 2020
 Time : 11.00 am
 Venue : New Shakti Bhawan, New Udaan Bhawan Complex,
 Opposite T-3, IGI Airport, New Delhi-110037

(ii) Financial calendar

Year Ending : March 31, 2020

(iii) Site location

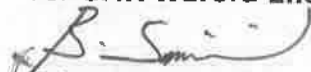
: Warora taluk, Chandrapur District, Maharashtra

ACKNOWLEDGEMENT

Your Directors are thankful to the various Central and State Government Departments and Agencies for their continued help and cooperation. The Directors are grateful to the various stakeholders – customers, members, banks, dealers, vendors and other business partners for the excellent support received from them during the year. Your Directors wish to place on record their sincere appreciation to all employees for their commitment and continued contribution to the Company.

For and on behalf of the Board of Directors

For **GMR Warora Energy Limited**


 Srinivas Bommidala
Managing Director
 DIN:00061464

Place: New Delhi
 Date: July 24, 2020



For **GMR Warora Energy Limited**


 Ashis Basu
Whole-time Director
 DIN:01872233

Annexure-1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

I	CIN	U40100MH2005PLC155140
II	Registration Date	4-Aug-05
III	Name of the Company	GMR WARORA ENERGY LIMITED
IV	Category/Sub-category of the Company	Public Company limited by shares
V	Address of the Registered office & contact details	No.701, 7th Floor, Naman Centre, A Wing, Bandra Kurla Complex, Bandra, Mumbai - 400 051 Tel:022- 42028000
VI	Whether listed company	Debt Listed
VII	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032. Tel: +91 040 67161503, Email: hanumantha.patri@kfintech.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Generation of Electricity	40102	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	GMR Energy Limited, No.701/704, 7th Floor, Naman Centre, A Wing, Bandra Kurla Complex, Bandra, Mumbai - 400 051	U85110MH1996PLC274875	Holding	100%	2(46)

SHAREHOLDING PATTERN (Equity Share Capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									

(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	870,000,000	-	870,000,000	100%	870,000,000	-	870,000,000	100%	NIL
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	870,000,000	-	870,000,000	100%	870,000,000	-	870,000,000	100%	NIL
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	870,000,000	-	870,000,000	100%	870,000,000	-	870,000,000	100%	NIL
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):									
(2) Non Institutions									
a) Bodies corporates	-	-	-	-	-	-	-	-	-

i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	870,000,000	-	870,000,000	100%	870,000,000	-	870,000,000	100%	NIL

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	GMR Energy Limited	870,000,000	100%	100%	870,000,000	100%	100%	-
	Total	870,000,000	100%	100%	870,000,000	100%	100%	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	870,000,000	100%	870,000,000	100%

Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL	NIL	NIL	NIL
At the end of the year	870,000,000	100%	870,000,000	100%

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	/			
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)				

(v) **Shareholding of Directors & KMP**

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	/			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year				

V INDEBTEDNESS

Rs. In Millions

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	29,727.23		-	29,727.23
ii) Interest due but not paid	294.57	-	-	294.57
iii) Interest accrued but not due	27.83		-	27.83
Total (i+ii+iii)	8,026.21		-	30,049.62
Change in Indebtedness during the financial year				
Additions/Reductions				

i) Principal Amount	(1,987.60)	-	-	(1,987.60)
ii) Interest due but not paid	(23.89)			(23.89)
iii) Interest accrued but not due	(25.46)			(25.46)
Reduction				
Net Change	(2,036.95)	-	-	(2,036.95)
Indebtedness at the end of the financial year				
i) Principal Amount	27,739.63	-	-	27,739.63
ii) Interest due but not paid	270.68	-	-	270.68
iii) Interest accrued but not due	2.36	-	-	2.36
Total (i+ii+iii)	28,012.67	-	-	28,012.67

A.VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

1	Particulars of Remuneration				In Rs.
	Srinivas Bommidala (MD)	Ashis Basu (WTD)	Mr. S.N Barde (WTD)	Mr. Dhananjay Deshpande (WTD)	
(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	28,618,323.97	21,613,339.28	24,118,300.74	9,087,623.96	
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	794,000.04	431,581.74	1,179,609.42	77,062.44	
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	
2 Stock option	-	-	-	-	
3 Sweat Equity	-	-	-	-	
4 Commission	-	-	-	-	
as % of profit	-	-	-	-	
others (Please specify)	-	-	-	-	
5 Others	-	-	-	-	
Total (A)	29,412,324.01	22,044,921.02	25,297,910.16	9,164,686.40	
Ceiling as per the Act	Remuneration paid is within the ceiling prescribed under Companies Act 2013				

B. Remuneration to other directors:

1	Independent Directors	S.K Goel	M. Ramachandran	Total Amount
(a) Fee for attending board committee meetings	160,000	165,000	325,000	
(b) Commission	-	-	-	
(c) Others, please specify	-	-	-	
Total (1)	-	-	-	
2 Other Non- Executive Directors	-	-	-	
(a) Fee for attending board/ committee meetings	-	-	-	
(b) Commission	-	-	-	
(c) Others, please specify.	-	-	-	
Total (2)	-	-	-	
Total (B)=(1+2)	-	-	-	
Total Managerial Remuneration	160,000	165,000	325,000	
Overall Ceiling as per the Act.	Remuneration paid is within the ceiling prescribed under Companies Act 2013 read with Ministry of Corporate Affairs Notification dated September 12, 2016.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary*	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	1,175,140.61	3,581,711.94	4,756,852.55
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	3,450.00	-	3,450.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	1,178,590.61	3,581,711.94	4,760,302.55

*upto July 31, 2019

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For **GMR Warora Energy Limited**


Srinivas Bommidala
Managing Director
DIN:00061464



Place: New Delhi
Date: July 24, 2020

For **GMR Warora Energy Limited**


Ashis Basu
Whole-time Director
DIN:01872233

Annexure-II

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies

(Appointment and Remuneration Managerial Personnel) Rules, 2014]

To,
The Members,
GMR Warora Energy Limited
 701, 7th Floor, Naman Centre A-Wing,
 BandraKurla Complex, Bandra,
 Mumbai -400051, Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GMR Warora Energy Limited (CIN: U40100MH2005PLC155140)** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the registers, records, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable)**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable)**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable)**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable)** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable)**.
6. The other major laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company based on their sector/ industry are:
- i. Electricity Act, 2003 and the rules made thereunder
 - ii. Electricity Supply Act 1948 and the rules made thereunder
 - iii. The Boilers Act, 1923 and the rules and regulations made thereunder.
 - iv. Electricity Regulatory Commission Act, 1948.

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India.
- b. The Listing Agreements entered into by the Company with Stock Exchanges read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per representations and clarifications provided by the management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned hereinabove.

WE FURTHER REPORT THAT:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaning full participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that based on review of compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has following specific events / actions that having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- Mr. Dhananjay Deshpande and Mr. S.N. Barde were re-appointed as Whole-time Directors of the Company w.e.f. November 23, 2019 and January 01, 2020 respectively, at the Board Meeting held on October 25, 2020, further approved by shareholders of the Company at the Extra-Ordinary General Meeting held on February 13, 2020.
- Mr. S. Rajagopal was appointed as an Additional Director of the Company w.e.f. March 27, 2020, approved by the Board of Directors of the Company by passing the circular resolution dated March 27, 2020.

For **S. Behera & Co.**
Company Secretaries

Shesdev Behera
Company Secretary in practice
CP. No. 5980
M. No. F-8428
UDIN: F008428B000325932
Date: 08.06.2020
Place: New Delhi

Note: **Annexure-'A'** forming an integral part of this Report.

Annexure-'A'

To,
The Members,
GMR Warora Energy Limited
701, 7th Floor, Naman Centre A-Wing,
BandraKurla Complex, Bandra,
Mumbai -400051, Maharashtra

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express as opinion on such secretarial records based on our audit.
2. We have followed the audit practices and process as we considered appropriate to obtain reasonable assurance on the correctness and completeness of the secretarial records. Our verification was conducted on a test basis to ensure that all entries have been made as per statutory requirements; we believe that the processes and practices we followed for this purpose provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation with respect to compliance of laws, rules and regulations and of significant events during the year.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, and standards is the responsibility of the management. Our examination was limited to the verification of secretarial records on test-check basis to the extent applicable to the Company.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **S. Behera & Co.**
Company Secretaries

Shesdev Behera
Company Secretary in practice
CP. No. 5980
M. No. F-8428
UDIN: F008428B000325932
Date: 08.06.2020
Place: New Delhi

Annexure-III

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

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

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

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

As recommended by the CSR Committee of the Board and as per the approval of the Board of directors at their meeting held on July 30, 2015, the Company contributes or carries out its CSR activities or contribute funds to GMRVF for utilization broadly towards the following projects / activities / programmes (**preference shall be given to the areas in and around the project, Vemagiri**):

i) Education:

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

ii) Health, Hygiene and Sanitation:

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

iii) Empowerment & Livelihoods:

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

iv) Community Development:

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

v) Environmental sustainability:

- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- vi) **Heritage and Culture:**
- protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- vii) measures for the benefit of armed forces veterans, war widows and their dependents;
- viii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- ix) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief, and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women;
- x) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- xi) rural development projects;
- xii) such other activities included in Schedule VII of the Companies Act, 2013 as may be identified by CSR Committee from time to time, which are not expressly prohibited.

The activities undertaken in pursuance of the normal course of business, activities undertaken outside India and activities that benefit exclusively the employees of the company or their family members shall not be treated as CSR activities of the Company.

Further, the surplus arising out of the CSR activity shall not form part of business profits of the Company.

For **GMR Warora Energy Limited**

S. Srinivas Bommidala

Srinivas Bommidala
Managing Director
DIN:00061464



Place: New Delhi
Date: July 24, 2020

For **GMR Warora Energy Limited**

Ashis Basu

Ashis Basu
Whole-time Director
DIN:01872233

Annexure-IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY**1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

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

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

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

As recommended by the CSR Committee of the Board and as per the approval of the Board of directors at their meeting held on July 15, 2019, the Company contributes or carries out its CSR activities or contribute funds to GMRVF for utilization broadly towards the following projects / activities / programmes (*preference shall be given to the areas in and around the project, Warora, Chandrapur, Maharashtra*):

The various projects/activities and programmes proposed to be entered under CSR Policy are as under:

Educational Programs

- Education Quality Improvement through initiatives like E- Learning Modules, effective Teaching material and processes, etc. in 4 ZP schools and 12 Anganwadi Center Support
- computer education in 6 villages to students from class 1 to 7.
- Navodaya coaching centre in 5 villages for class V students.
- Supporting students through coaching & transportation.

Health Hygiene & Sanitation

- Providing health services to community and creating awareness
- Achieving ODF in Six villages.
- Providing safe drinking water in 14 villages continuing to more than 3000 HHs.

Empowerment & Livelihoods

- Vocational training at Warora targeting 250 youths in Assistant Beauty Therapist and Mobile Phone Hardware Repair Technician courses.
- Target 100 women at Warora for tailoring training.
- Individual Income Generation Activities and support to Women Self Help Groups.
- Expanding GCS bank business with more than 700 farmers.
- Continuing Veterinary services in 30 villages and targeting 300 Artificial Insemination.

Community Development

- Renovation of 6 Check Dams to conserve rain water and increase irrigated agriculture.
- Installation of Water ATM in 4 new villages.

- Supporting construction of more than 200 ISL to make 6 villages ODF free.

2. The Composition of the CSR Committee.

The composition of the Corporate Social Responsibility Committee is as under:

1. Mr. S.N Barde- whole-time Director
2. Ms. Meena Raghunathan- Non-Executive Director
3. Dr. M Ramachandran –Independent Director

3. Average net profit of the company for last three financial years.

Average net profits of the Company for last three financial years, calculated as per section 198 is as under:

(Amount in Crore)			
Particulars	2016-17	2017-18	2018-19
Net Profit/(Loss)	147.47	203.30	102.53
Average net profit	151.10		
Amount to be spent (2% of average net profit)	3.022		

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).

The prescribed CSR expenditure is Rs.3.022 crore.

1. Details of CSR spent during the financial year 2019-20:

(a) Total amount spent for the financial year: Rs.304.30 crore

(b) Amount unspent if any: NIL

(c) Manner in which the amount spent during the financial year is detailed below:

Amount in lakhs							
Sl. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
			1) Local area or others	(Rs. Lakhs)	Sub-heads		
			2) Specify the State and district where projects or program was undertaken		1) Direct expenditure on project or programs		
1	Anganwadi	Education		5.13	5.16	5.16	GMRVF
2	Govt School, KIDS Smart Program Sports kits, Wall Magazine, E-Module	Education	10 villages, Warora, Chandrapur and Maharashtra	19.9	31.91	31.91	GMRVF
3	Tuition Centres	Education		5	5.64	5.64	GMRVF
4	Village Intensive Programme	Education		3.8	4.59	4.59	GMRVF
5	Community Library & PRATIBHA Center	Education		9.8	10.21	10.21	GMRVF
						2) Overheads	

6	Other Education Program	Education		1.28	1.34	1.34	GMRVF
7	Medical Clinics	Health	10 villages, Warora, Chandrapur and Maharashtra	16.8	19.89	19.89	GMRVF
8	Medical Camps	Health		1.4	2.04	2.04	GMRVF
9	Health Awareness Programs	Health		0.36	0.36	0.36	GMRVF
10	Health Nutrition Center	Health		3.78	5.6	5.6	GMRVF
11	Sanitation Program (Fogging and ODF villages)	Health		2.76	3.37	3.37	GMRVF
12	Mobile Medicare Unit	Health		20	20.38	20.38	GMRVF
13	Vocational Training	Empowerment & Livelihoods	10 villages, Warora, Chandrapur and Maharashtra	28.3	22.33	22.33	GMRVF
14	Sponsorships for Trainings	Empowerment & Livelihoods		1.5	0.71	0.71	GMRVF
15	Community Level Training/ Support	Empowerment & Livelihoods		10.6	9.35	9.35	GMRVF
16	Marketing Support	Empowerment & Livelihoods		2.5	1.98	1.98	GMRVF
17	Self Help Groups (94 SHG)	Empowerment & Livelihoods		2.36	1.89	1.89	GMRVF
18	Other activities: Organic Farming and Veterinary services	Empowerment & Livelihoods		13.02	12.33	12.33	GMRVF
19	School Bus Operation	Education	12 villages, Warora,	10	6.12	6.12	GWEL
20	Construction of ISL	Community Development		36	38.28	38.28	GWEL
21	Installation of RO Water ATM	Community Development		24	20	20	GWEL

		Chandrapur and Maharashtra	64.8	62.36	62.36	
22	Renovation of Tank & other community structure a. Constructed 300 m drains in two villages. b. Completed Shed construction work at Community building in one village. c. Rejuvenated Water Tanks at two villages by leveraging more than 12 lakhs. d. Development of village market yard CAPEX	Community Development				GWEL
			4	3.35	3.35	GMRVF
	Program Expense		15.11	15.11	15.11	GMRVF
	Overheads Expense					
	Total CSR Expense		302.20 0	304.3	304.3	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report: **Not applicable**
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

The implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

For **GMR Warora Energy Limited**


Ashis Basu
Whole-time Director
DIN:01872233

Place: New Delhi
Date: July 24, 2020



For **GMR Warora Energy Limited**


Dr. M Ramachandran
Chairman- CSR Committee
DIN:00075644

Annexure-V

NOMINATION AND REMUNERATION POLICY**APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL****1.1. Appointment criteria and qualifications**

- (a) Subject to the applicable provisions of the Companies Act, 2013, other applicable laws, if any and GMR Group HR Policy, the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- (b) The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position.
- (c) The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

1.2. Term / Tenure**1.2.1. Managing Director / Whole-time Director / Manager (Managerial Personnel)**

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

1.2.2. Independent Director

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

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

- (c) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.
- (d) The maximum number of public companies in which a person can be appointed as a director shall not exceed ten.

For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

1.3. Familiarization Programme for Independent Directors

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

1.4. Evaluation

Subject to provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosures requirement), the Committee shall carry out the evaluation of Directors periodically. Further the Nomination & Remuneration Committee shall specify the manner for effective evaluation of performance of the Board, its Committee and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

1.5. Removal

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

1.6. Retirement

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

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

2.1. General

- (a) The remuneration / compensation / commission etc. to Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.
- (b) The remuneration and commission to be paid to the Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- (c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Personnel.
- (d) Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

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

2.2.1. Fixed Pay

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

Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2.2.2. Minimum Remuneration

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

2.2.3. Provisions for excess remuneration

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

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

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

2.3. Remuneration to Non-Executive / Independent Director

2.3.1. Remuneration / Commission

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

2.3.2. Sitting Fees

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

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. The sitting fee paid to Independent Directors and Women Directors, shall not be less than the sitting fee payable to other directors.

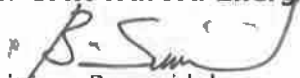
2.3.3. Limit of Remuneration / Commission

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

2.3.4. Stock Options


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

For **GMR Warora Energy Limited**


Srinivas Bommidala
Managing Director
DIN:00061464



For **GMR Warora Energy Limited**


Ashis Basu
Whole-time Director
DIN:01872233

Place: New Delhi
Date: July 24, 2020

	Notes	(Rs. in million)	
		March 31, 2020	March 31, 2019
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	31,660.11	33,010.22
(b) Capital work in progress		18.76	25.59
(c) Intangible assets	4	7.35	5.88
(d) Right-of-use assets	32	404.21	-
(e) Financial assets:			
(i) Investments	5	0.00	0.00
(ii) Loans	6	18.71	28.00
(iii) Other financial assets	7	112.59	246.30
(f) Deferred tax assets (net)	8 (a)	-	2,472.44
(g) Non-current tax assets (net)		15.59	28.28
(h) Other non-current assets	9	128.80	177.68
		32,366.12	35,994.39
(2) Current assets			
(a) Inventories	10	1,205.57	741.29
(b) Financial assets:			
(i) Loans	6	32.86	32.86
(ii) Trade receivables	11	4,513.53	4,645.21
(iii) Cash and cash equivalents	12	40.56	81.31
(iv) Other financial assets	7	1,205.12	2,287.14
(c) Other current assets	9	388.34	240.00
		7,385.98	8,027.81
Total assets (1 + 2)		39,752.10	44,022.20
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	13	8,700.00	8,700.00
(b) Other equity	14	(4,290.11)	(2,151.22)
Total equity		4,409.89	6,548.78
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	26,103.48	27,266.14
(ii) Lease liabilities	32	48.13	-
(b) Provisions	17	61.28	52.45
(c) Deferred tax liabilities (net)	8(a)	401.41	-
		26,614.30	27,318.59
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	3,064.57	2,977.28
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	18	30.05	17.78
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	1,718.10	2,359.87
(iii) Other financial liabilities	16	3,520.39	4,439.11
(iv) Lease liabilities	32	19.08	-
(b) Other current liabilities	19	34.82	22.96
(c) Provisions	17	65.74	62.67
(d) Liabilities for current tax (net)		275.16	275.16
		8,727.91	10,154.83
Total liabilities		35,342.21	37,473.42
Total equity and liabilities (1+2+3)		39,752.10	44,022.20

Summary of significant accounting policies

2.2

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

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI firm registration number: 101049W / E300004
Chartered Accountants

Sandeep Kamani
per Sandeep Kamani
Partner
Membership number: 061207



For and on behalf of the Board of Directors
GMR Warora Energy Limited

Srinivas Bommidala
Srinivas Bommidala
Managing Director
DIN: 00061464

Ashish Deshpande
Ashish Deshpande
Chief Financial Officer

Dhanajay Deshpande
Dhanajay Deshpande
Whole-time Director
DIN: 07663196
Sanjay Kumar Babu
Sanjay Kumar Babu
Company Secretary
Membership number: F-8649

Place: Bengaluru
Date: May 29, 2020

Place: New Delhi
Date: May 29, 2020

GMR Warora Energy Limited
Corporate Identity Number (CIN): U40100MH2005PLC155140
Statement of Profit and Loss for the year ended March 31, 2020

	Notes	(Rs. in million)	
		March 31, 2020	March 31, 2019
I Revenue			
Revenue from operations	20	18,442.86	18,942.22
Other income	21 (a)	46.12	31.58
Finance Income	21 (b)	8.99	256.88
Total income		18,497.97	19,230.68
II Expenses			
Consumption of fuel	22	9,311.68	9,544.94
Purchase of traded goods		604.83	937.30
Employee benefit expenses	23	447.49	498.29
Depreciation and amortisation expenses	24	1,212.38	1,138.41
Finance costs	25	4,085.94	4,121.77
Transmission charges	26	1,122.78	1,040.34
Other expenses	27	977.37	1,029.72
Total expenses		17,762.47	18,310.77
III Profit/(loss) before and tax (I +/- II)		735.50	919.91
IV Tax expenses:			
(a) Current tax		-	275.16
(b) MAT credit entitlement		-	(275.16)
(b) Deferred tax expense / (credit) (net)	8(b)	2,873.57	(1,704.68)
Total tax expenses		2,873.57	(1,704.68)
V (Loss) / profit for the year (III +/- IV)		(2,138.07)	2,624.59
VI Other comprehensive income/ (loss)			
(A) (i) Items that will not be reclassified to profit or loss	14		
- Re-measurement gains/ (losses) on defined benefit plans		(1.10)	(0.12)
(ii) Income tax effect		0.28	0.04
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax effect		-	-
Total other comprehensive income/ (loss) for the year		(0.82)	(0.08)
VII Total comprehensive income for the year (V +/- VI)		(2,138.89)	2,624.51
VIII Earnings per equity share (nominal value of share Re. 10 each):	28		
(a) Basic EPS		(2.46)	3.02
(b) Diluted EPS		(2.46)	2.85

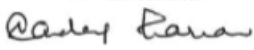
Summary of significant accounting policies

2.2

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


As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI firm registration number: 101049W / E300004
Chartered Accountants


per Sandeep Karnani
Partner
Membership number: 061207

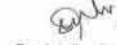


For and on behalf of the Board of D
GMR Warora Energy Limited


Srinivas Bommidala
Managing Director
DIN: 00061464


Ashish Deshpande
Chief Financial Officer


Dhanajay Deshpande
Whole-time Director
DIN : 07663196


Sanjay Kumar Babu
Company Secretary
Membership number: F-8649

Place: Bengaluru
Date: May 29, 2020

Place: New Delhi
Date: May 29, 2020

GMR Warora Energy Limited
Corporate Identity Number (CIN): U40100MH2005PLC155140
Statement of cash flows for the year ended March 31, 2020

Particulars	(Rs. in million)	
	March 31, 2020	March 31, 2019
CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES		
Profit before tax	735.50	919.91
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	1,212.38	1,138.41
Fixed assets written off / loss / (profit) on sale of fixed assets (net)	4.10	0.91
Provision for doubtful advances/trade advances written off	57.14	182.41
Finance costs	4,085.94	4,121.77
Interest income on bank deposits	(8.99)	(18.01)
Operating profit before working capital changes	6,086.07	6,345.40
Movements in working capital :		
(Increase) / decrease in inventories	(464.28)	(84.57)
(Decrease) / increase in trade receivables	94.33	(818.21)
(Decrease) / increase in non-current and current other financial and other assets	958.91	(197.52)
(Decrease) / increase in trade payables	(629.57)	20.71
Increase / (decrease) in non-current and current other financial, other liabilities and provisions	27.89	(85.23)
Cash generated from operations	6,073.35	5,180.58
Direct taxes (paid) / refund	12.69	(2.24)
Net cash flow from / (used in) operating activities (A)	6,086.04	5,178.34
CASH FLOW (USED IN) / FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including capital work in progress, capital advances and intangible assets	(227.73)	(668.20)
Investment in bank deposits (having original maturity of more than three months) and other bank balances	133.71	64.20
Finance income received	11.41	21.49
Net cash flow (used in) / from investing activities (B)	(82.61)	(582.51)
CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES		
Non-current liabilities		
Repayment of borrowings	(2,002.52)	(1,031.18)
Payment of lease liabilities	(17.68)	-
Proceeds from borrowings	87.29	247.81
Finance cost paid	(4,111.27)	(3,793.33)
Net cash flow (used in) / from financing Activities (C)	(6,044.18)	(4,576.70)
Net (decrease) / increase in cash and cash equivalents (A + B + C)	(40.75)	19.13
Cash and cash equivalents as at April 1,	81.31	62.18
Cash and cash equivalents as at March 31,	40.56	81.31

COMPONENTS OF CASH AND CASH EQUIVALENTS (refer note 12)

Cash on hand	0.13	0.66
Balances with banks	40.43	80.65
Total cash and cash equivalents	40.56	81.31

Changes in liabilities arising from financing activities

Particulars	(Rs. in million)	
	March 31, 2020	March 31, 2019
As at April 01,	33,451.59	34,634.31
Repayment of long term borrowings (net)	(2,002.52)	(1,031.18)
Proceeds / (repayment) of short term borrowings (net)	87.29	247.81
Recognition of lease liabilities (Refer 32)	76.39	-
Payment of lease liabilities	(17.68)	-
Non-cash fair value changes	23.97	(399.35)
As at March 31,	31,619.04	33,451.59

Summary of significant accounting policies

2.2

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

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI firm registration number: 101049W / E300004
Chartered Accountants

Sandeep Karnani

per Sandeep Karnani
Partner
Membership number: 061207



For and on behalf of the Board of Directors of
GMR Warora Energy Limited

Srinivas Sommadata

Srinivas Sommadata
Managing Director
DIN: 00061464

Ashish Deshpande
Ashish Deshpande
Chief Financial Officer

Dhanajay Deshpande

Dhanajay Deshpande
Whole-time Director
DIN : 07663196

Sanjay Kumar Babu
Sanjay Kumar Babu
Company Secretary
Membership number: F-8649

Place: Bengaluru
Date: May 29, 2020

Place: New Delhi
Date: May 29, 2020

GMR Warora Energy Limited
Corporate Identity Number (CIN): U40100MH2005PLC155140
Statement of changes in equity for the year ended March 31, 2020

a. Equity share capital:
Equity shares of Rs. 10 each issued, subscribed and fully paid

No.	(Rs. in million)
870,000,000	8,700
870,000,000	8,700
870,000,000	8,700

b. Other equity

	Attributable to the equity holders				Retained earnings (refer note 14)	Total other equity
	Capital contribution from parent (equity component of related party transactions) (refer note 14)	0.001% Non-cumulative Non-Participating Convertible Preference shares (CCPS) (refer note 14)	Securities premium (refer note 14)	Reserves and surplus Debtore redemption reserve (refer note 14)		
For the year ended March 31, 2020						
As at April 1, 2019	-	1,700.08	229.92	187.50	(4,268.72)	(2,151.22)
Profit/(loss) for the year	-	-	-	-	(2,138.07)	(2,138.07)
Other comprehensive income (refer note 14)	-	-	-	-	(0.82)	(0.82)
Total comprehensive income	-	-	-	-	(2,138.89)	(2,138.89)
As at March 31, 2020	-	1,700.08	229.92	187.50	(6,407.61)	(4,290.11)
For the year ended March 31, 2019						
As at April 1, 2018	1,288.26	-	-	187.50	(7,184.16)	(5,708.40)
Profit/(loss) for the year	-	-	-	-	2,624.59	2,624.59
Other comprehensive income (refer note 14)	-	-	-	-	(0.08)	(0.08)
Total comprehensive income	-	-	-	-	2,624.51	2,624.51
Issued pursuant to conversion of NCPS / inter-corporate deposits to CCPS	(162.76)	1,700.08	229.92	-	-	1,930.00
Transfer to retained earnings on de-recognition of equity component of non-convertible debenture (net of tax) pursuant to repayment	(1,125.50)	-	-	-	162.76	-
Transfer to instrument entirely equity in nature (net of tax) pursuant to conversion of NCPS / inter-corporate deposits to CCPS (refer note 13 (d)).	-	-	-	-	128.17	(997.33)
As at March 31, 2019	-	1,700.08	229.92	187.50	(4,268.72)	(2,151.22)

Summary of significant accounting policies

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

As per our report of even date

For S.R. Baidya & Associates LLP
ICAI firm registration number: 101049W / E300004
Chartered Accountants



S.R. Baidya
per Sandeep Karmani
Partner
Membership number: 061207

For and on behalf of the Board of Directors of
GMR Warora Energy Limited

Srinivas Banamidala
Srinivas Banamidala
Managing Director
DIN: 000061464

Ashish Deshpande
Ashish Deshpande
Chief Financial Officer

Dhanjay Deshpande
Dhanjay Deshpande
Whole-time Director
DIN: 07663196

Sanjay Kumar Babu
Sanjay Kumar Babu
Company Secretary
Membership number: F-8649

Place: Bengaluru
Date: May 29, 2020

Place: New Delhi
Date: May 29, 2020

1. Corporate information

GMR Warora Energy Limited ('the Company') (Formerly known as EMCO Energy Limited) is a public company incorporated under the provisions of the Companies Act 1956, having its registered office at 701/704, 7th floor, Naman Centre, A wing, Bandra Kurla Complex, Mumbai – 400 051. The Company is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora.

1.1 Going Concern

The Company has incurred loss during the current year and has accumulated losses of Rs 6,407.61 million as at March 31, 2020 which has resulted in substantial erosion of the net worth of the Company and its current liabilities exceed current assets by Rs. 1,341.93 million. There have been delays in repayment of dues to the lenders on account of the delay in the receipt of receivables including claims as detailed in note 11, from its customers thereby resulting in lowering of credit ratings for the Company's borrowings. The customers continue to dispute the claims made by the Company. The Company has also received notices of force majeure from one of its customer disputing payment of capacity charges during the period of lock down. Further as detailed in note 40, in view of the ongoing COVID-19 pandemic, there could be impact on the future business operations, financial position and future cash flows of the Company. However, the Company has made profits during the years ended March 31, 2019 and March 31, 2018 and have favourable interim orders towards the aforementioned claims. Further, the Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks and financial institution till August 2020. This will mitigate the stress on cash flows during the period of COVID-19. Further, the management of the Company is in active discussions with one of its customers for renewal of the existing PPA expiring in June 2020. The management of the Company based on the future business plans and forecasted cash flows and favourable interim orders towards various claims made by the Company, is of the opinion that the Company will generate sufficient profits in the future years, realise its receivables and meet its debt obligations. Accordingly, the Ind AS financial statements continue to be prepared on a going concern basis which contemplates realisation of current assets and settlement of current liabilities in an orderly manner.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

2.1. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The functional and presentation currency of the Company is Indian Rupee ('Rs') which is the currency of the primary economic environment in which the Company operates. All values are disclosed to the nearest Million with two decimals (INR 000,000.00), except when otherwise indicated.

2.2 Changes in accounting policies and disclosures

Impact of implementation of new standards/amendments:

During the year ended March 31, 2020, the Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending 31 March 2020, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.



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Notes to the financial statements for the year ended March 31, 2020

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The effect of adoption Ind AS 116 as at 1 April 2019 (increase/(decrease)) is, as follows:

	INR million
Assets	
Right-of-use assets	437.40
Property, plant and equipment	(361.01)
Total assets	<u>76.39</u>
Liabilities	
Lease liabilities	76.39
Total liabilities	<u>76.39</u>

The Company has certain non-cancellable lease contracts in respect of finance leases for land and cancellable operating lease agreement for guest house and office spaces. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to note 2.3 (j) Leases for the accounting policy beginning April 01, 2019 and prior to it. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 were applied to these leases from 1 April 2019.

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Based on the above, as at 1 April 2019:

- Right-of-use assets of INR 437.40 million were recognised and presented separately in the balance sheet. This includes the lease assets recognised previously under finance leases of INR 361.01 million that were reclassified from Property, plant and equipment.
- Additional lease liabilities of INR 76.39 million were recognised.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. The Company has determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the financial statements of the Company.

Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of an event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract. These amendments had no impact on the financial statements of the Company.

Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset). The amendments had no impact on the financial statements of the Company as it did not have any plan amendments, curtailments, or settlements during the period.

Annual Improvements to Ind AS 2018

(i) Ind AS 23 Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after April 1, 2019.

Since the Company's current practice is in line with these amendments, they had no impact on the standalone financial statements of the Company.

(ii) Ind AS 12 Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events.

An entity applies the amendments for annual reporting periods beginning on or after 1 April 2019.

Since the Company's current practice is in line with these amendments, they had no impact on the standalone financial statements of the Company.

2.3 Summary of significant accounting policies:

a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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



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The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

Advance tax paid is classified as non-current assets.

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

b. Fair value measurement of financial instruments

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

c. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Description of performance obligations are as follows:

(i) Income from sale of Electrical Energy:

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.



The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from energy units sold as per the terms of the PPA and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled revenue accrued up to the end of the accounting year.

Revenue earned in excess of billings has been included under "other financial assets" as unbilled revenue and billings in excess of revenue earned have been disclosed under "other liabilities" as unearned revenue.

Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers. Revenue/ charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognized/ charged at rates notified by Central Electricity Regulatory Commission ('CERC') from time to time, as revenue from sale of energy. Further, revenue is recognized/adjusted towards truing up in terms of the applicable CERC regulations.

Consumers are billed on a monthly basis and are given credit period of 30 days for payment. Revenue in respect of claims on account of change in law events including coal cost pass through, carrying cost and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

Contract assets

A contract asset is the right to consideration in exchange for goods and services transferred to the customer (which consist of unbilled revenue). If the Company performs by transferring goods and services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (o) Financial instruments – initial recognition and subsequent measurement.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

Contract liabilities

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

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (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 amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d. Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company's liability for



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Notes to the financial statements for the year ended March 31, 2020

current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

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

In the year in which the Company recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

e. Property, plant and equipment

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items such as purchase price, freight, duties, levies. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date and is stated at cost less accumulated impairment loss.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit or loss as and when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied with corresponding de-recognition of identifiable carrying cost of replacement. Machinery spares which are specific to a particular item of Property, Plant & Equipments and whose use is expected to be irregular are capitalized as Property, Plant & Equipments. Major inspection costs relating to Boiler, Turbine and Generator overhauls are identified as separate component and are depreciated over 5 years. Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months and having a value of more than 500,000.

On Transition to Ind AS, the Company has availed the optional exemption on "Long term Foreign currency Monetary items" and has accordingly continued with the policy to adjust the exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset recognised in the financial statements for the year ended March 31, 2016 (as per previous GAAP) to the cost of the tangible asset and depreciates the same over the remaining life of the asset. In accordance with the Ministry of Corporate Affairs ('MCA') circular dated August 09, 2012, exchange differences adjusted to the cost of tangible fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

f. Depreciation on Property, plant and equipment

The management has estimated the useful life of assets individually costing Rs. 5,000 or less to be less than one year, which is lower than those indicated in Schedule II.

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

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

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

The Company, based on technical assessment made by the technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on Property, plant and Equipments is provided on the Straight Line Method over the useful lives of the assets which is as follows:

Category of the asset	Estimated useful Life (In Years)
Plant and equipment – Power plant	40 Years
Plant and equipment – Others	15 Years
Buildings on leasehold land	3-60 Years
Office equipment	5 Years
Furniture and fixtures	10 Years
Vehicles	8-10 Years
Computers	3 Years

g. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

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

h. Amortisation of intangible assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the effect of any change in the estimate being accounted



for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised. Software is amortised based on the useful life of six years on a straight line basis as estimated by the management.

i. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

j. Leases

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

Company as a lessee:

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

i. Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The Company has obtained land on operating lease for a term of 95 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (I) Impairment of non-financial assets.

ii. Lease Liabilities:

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

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

Leases (prior to April 01, 2019 i.e. application of Ind AS 116)

A lease is classified at the inception date as a finance lease or an operating lease.



Company as a lessee

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Finance charges are recognised as finance costs in the standalone statement of profit and loss and are computed using the effective interest method. A leased asset is depreciated over the useful life of the asset.

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

k. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost of inventories is determined on a weighted average basis. Net realisable 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.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to that extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

l. Impairment of non-financial assets

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, intangible assets, and other non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and
- (ii) in case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less costs of disposal and the value in use.

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.



m. Provisions and contingent liabilities

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

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities)..

Provisions and contingent liability are reviewed at each balance sheet.

Decommissioning liability:

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

n. Retirement and other employee benefits

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution scheme. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund, pension fund and superannuation fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund. The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

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

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

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

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



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

The Company presents the leave as a current liability in the standalone balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

6. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

All financial assets and financial liabilities are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through statement of profit and loss.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Financial instruments.



For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

For trade and other receivables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b. De-recognition

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

Off-setting of financial instruments

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

p. Convertible preference shares/ debentures

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

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



The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for conversion right. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares / debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

q. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

r. Cash dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. A corresponding amount is recognised directly in equity. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

s. Foreign currencies

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

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

Exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Company has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101- "First time adoption of Indian Accounting Standard" are recognised directly in equity or added/ deducted to/ from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

t. Corporate social responsibility ('CSR') expenditure

The Company charges its CSR expenditure during the year to the statement of profit and loss.

u. Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.



3 Property, plant and equipment

Particulars	(Rs. in million)									
	Freehold land	Buildings on leasehold land	Leasehold Land	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Computers	Total	
Gross Block (at cost/ deemed cost)										
As at April 01, 2018	86.50	3,749.59	361.00	32,775.73	20.97	61.72	0.76	10.18	37,066.45	
Additions	19.44	924.83	-	183.68	30.07	71.05	5.75	1.50	1,236.32	
Disposals	-	(92.90)	-	(5.42)	(1.85)	(0.48)	-	-	(100.65)	
Other Adjustments ²	-	-	-	35.46	-	-	-	-	35.46	
As at March 31, 2019	105.94	4,581.52	361.00	32,989.45	49.19	132.29	6.51	11.68	38,237.58	
Additions	11.25	13.86	-	123.94	0.35	1.62	2.24	0.80	154.06	
Disposals	-	(4.10)	-	-	-	-	-	-	(4.10)	
Other Adjustments ²	-	-	(361.00)	38.78	-	-	-	-	38.78	
Reclassified on account of adoption of Ind AS 116 (refer note 32)	-	-	-	-	-	-	-	-	-	
As at March 31, 2020	117.19	4,591.28	-	33,152.17	49.54	133.91	8.75	12.48	38,065.32	
Accumulated Depreciation										
As at April 01, 2018	-	602.04	9.89	3,436.05	8.16	31.06	0.34	4.37	4,091.91	
Charge for the year	-	120.77	3.99	994.13	4.79	9.97	0.57	2.66	1,136.88	
Disposals	-	-	-	-	(1.05)	(0.38)	-	-	(1.43)	
As at March 31, 2019	-	722.81	13.88	4,430.18	11.90	40.65	0.91	7.03	5,227.36	
Charge for the year	-	152.60	-	1,012.78	5.45	17.13	0.91	3.83	1,192.70	
Disposals	-	-	(13.88)	-	-	-	-	-	-	
Reclassified on account of adoption of Ind AS 116 (refer note 32)	-	-	-	-	-	-	-	-	-	
As at March 31, 2020	-	875.41	-	5,442.96	17.35	57.78	1.82	10.86	6,406.18	
Net block										
As at March 31, 2020	117.19	3,715.87	-	27,709.21	32.19	76.13	6.93	1.62	31,660.11	
As at March 31, 2019	105.94	3,858.71	347.12	28,559.27	37.29	91.64	5.60	4.65	33,010.22	

Note:

- The Company during the year ended March 31, 2017 had adopted Ind AS under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and relevant amendment rules issued thereafter. The Company had availed the exemption available under Ind AS 101, wherein the carrying value of property, plant and equipment has been carried forward at the amount as determined under the previous GAAP as at April 01, 2015.
- The MCA, Government of India ('GoI') vide its Notification No GSR 225 (E) dated March 31, 2009 prescribed certain changes to AS - 11 on 'The Effects of Changes in Foreign Exchange Rates'. The Company has, pursuant to adoption of such prescribed changes to the said Standard, exercised the option of recognizing the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets. Exchange differences are capitalized as per paragraph D1.3AA of Ind AS 101 'First time adoption' availing the optional exemption that allows first time adopter to continue capitalization of exchange differences in respect of long term foreign currency monetary items recognized in the financial statements for the period ending immediately beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, foreign exchange loss of Rs. 38.78 million (March 31, 2019; Rs. 35.46 million (loss)) in respect of exchange differences arising on foreign currency monetary items relating to the acquisition of depreciable assets have been adjusted against property, plant and equipment.
- The management of the Company carried out a valuation assessment of its Property, Plant and Equipment ('PPE') during the year ended March 31, 2020 by an external expert and is of the view that the carrying value of the PPE as at March 31, 2020 is appropriate. The valuation assessment includes certain key assumptions relating to renewal of PPA with one of its customer expiring in June 2020, conclusion and realisation of claims with Discoms currently under dispute for various change in law events as detailed in note 11, ramp up in production, operational performance of the plants, life extension plans, availability and market prices of coal with specific grades, decline in interest rates etc., which the management believes reasonably reflect the future expectations and accordingly has not made any adjustments to the carrying values of PPE as at March 31, 2020.
- The amount of borrowing costs capitalised during the year ended March 31, 2020 is Nil (March 31, 2019: Rs. 23.84 million)
- Refer note 15 in regard to details of pledge of the property, plant and equipment in connection with borrowings from the lenders.
- Leasehold land includes amount paid as compensation to the land owners.
- The Company in the financial year 2016-17 has capitalized freehold land amounting to Rs. 8.90 Million based on agreement to sell pending execution of sale deed. The sale deed has not been executed as at March 31, 2020.

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4. Intangible assets

Particulars	(Rs. in million)	
	Computer Software	Total
Gross Block (at cost/ deemed cost)		
As at April 01, 2018	9.94	9.94
Additions	1.25	1.25
As at March 31, 2019	11.19	11.19
Additions	1.85	1.85
As at March 31, 2020	13.04	13.04
Accumulated Amortisation		
As at April 01, 2018	3.78	3.78
Charge for the year	1.53	1.53
As at March 31, 2019	5.31	5.31
Charge for the year	0.38	0.38
As at March 31, 2020	5.69	5.69
Net block		
As at March 31, 2020	7.35	7.35
As at March 31, 2019	5.88	5.88

Note:

The Company during the year ended March 31, 2017 had adopted Ind AS under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and relevant amendment rules issued thereafter. The Company had availed the exemption available under Ind AS 101, wherein the carrying value of other intangible assets has been carried forward at the amount as determined under the previous GAAP as at April 01, 2015.

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5. Financial assets - Investments

	(Rs. in million)	
	March 31, 2020	March 31, 2019
Investment carried at amortised cost		
Unquoted Government securities		
National Savings Certificate*	0.00	0.00
	0.00	0.00

* The Investment is amounting to Rs.2,500 (March 31, 2019: Rs. 2,500)

6. Loans

	(Rs. in million)			
	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Unsecured, considered good				
Carried at amortised cost				
Security deposits with related parties (refer note below)	6.12	6.12	32.86	32.86
Security deposits with others	12.59	21.88	-	-
Total	18.71	28.00	32.86	32.86
Security deposits with related parties:				
Raxa Securities Services Limited ('RSSL')	3.39	3.39	-	-
GMR Energy Trading Limited ('GETL')	2.73	2.73	-	-
GMR Corporate Affairs Private Limited ('GCAPL')	-	-	32.86	32.86
Total	6.12	6.12	32.86	32.86

7. Other financial assets

(Unsecured, considered good unless otherwise stated)

	(Rs. in million)			
	Non current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Unbilled revenue (also refer note 11 (c)):				
Unbilled revenue from related parties (refer note 30)	-	-	146.36	461.31
Other unbilled revenue	-	-	698.84	1,567.41
(A)	-	-	845.20	2,028.72
Transmission charges receivable:				
Receivables from related parties (refer note 30)	-	-	110.35	15.06
Other receivables (refer note 26)	-	-	246.15	223.06
(B)	-	-	356.50	238.12
Non-current bank balance (refer note 12)	112.59	246.30	-	-
Interest accrued on fixed deposits	-	-	0.86	3.28
Other receivables from related parties (refer note 30)	-	-	2.56	12.69
Others	-	-	-	4.32
(C)	112.59	246.30	3.42	20.30
Total other financial assets (A+B+C)	112.59	246.30	1,205.12	2,287.14

8(a). Deferred tax asset/(liability) (net)

	(Rs. in million)	
	March 31, 2020	March 31, 2019
Deferred tax liability		
Property, plant and equipment: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	(4,949.38)	(6,669.85)
Fair valuation of borrowing at inception and subsequently recorded at amortized cost.	(25.18)	(43.17)
Deferred tax asset		
MAT Credit Entitlement	-	275.16
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis	30.54	21.90
Losses / unabsorbed depreciation available for offsetting against future taxable income	4,486.47	8,790.79
Others	56.14	97.61
Total	(401.41)	2,472.44

8(b). Income Tax

The Company is subject to income tax in India on the basis of financial statements.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Income tax expenses in the statement of profit and loss consist of the following:

	(Rs. in million)	
	March 31, 2020	March 31, 2019
(a) Current tax	-	275.16
(b) Less: MAT credit entitlement	-	(275.16)
(b) Deferred tax expense / (credit) (net)	2,873.57	(1,704.68)
Total taxes	2,873.57	(1,704.68)

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Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

	(Rs. in million)	
	March 31, 2020	March 31, 2019
(Profit)/loss before taxes	735.50	919.91
Computed tax charge on applicable tax rates in India	185.11	321.45
Deferred tax asset on additional depreciation written off pursuant to introduction of section 115BAA of the Income-tax Act, 1961.	2,414.12	-
MAT credit entitlement written off pursuant to introduction of aforementioned section	275.16	-
Tax effect of change in tax rate from 34.94% to 25.17%. (Refer note 8)	(59.63)	-
Tax effect on permanent differences	4.91	107.28
Recognition of deferred tax liability on Property, plant and equipment	-	6,669.86
Recognition of deferred tax asset on brought forward tax losses	-	(8,790.73)
Others	53.90	(12.53)
Total tax expenses	2,873.57	(1,704.68)

1. On September 20, 2019, the Taxation Laws (Amendment) Ordinance, 2019 ('ordinance') was passed introducing section 115BAA of the Income-tax Act, 1961 which allowed domestic Companies to opt for an alternative tax regime from FY 2019-20. As per the regime, Companies are allowed to pay reduced income tax @ 22% (plus surcharge and cess) subject to foregoing of certain exemptions which were earlier allowed. Central Board of Direct taxes vide circular no 29/2019 clarified that Companies opting for lower rates of taxes will not be allowed to offset brought forward losses on account of additional depreciation and carry forward MAT credit. Pursuant to the aforesaid amendment, the Company has decided to opt for lower rate of tax and accordingly has reversed deferred tax asset on additional depreciation claimed by the Company and MAT credit existing as at March 31, 2019. Further the Company has restated the deferred tax assets and liabilities as at April 1, 2019 at the rate of 25.17%.

2. Deferred tax asset created on the brought forward tax loss is based on the returns filed for the year ended March 31, 2018. There has been an error in the carry forward of losses while filing the tax returns for the year ended March 31, 2019. Management is in the process of filing revised income tax returns for the year ended March 31, 2019.

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9. Other assets

		(Rs. in million)			
		Non-current		Current	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Capital advances					
Unsecured, considered good		0.44	10.40	-	-
	(A)	0.44	10.40	-	-
Advances other than capital advances					
Unsecured, considered good		86.20	109.35	354.81	195.24
	(B)	86.20	109.35	354.81	195.24
Other advances (Unsecured, considered good)					
Prepaid expenses		33.34	44.95	33.53	42.54
Balance with statutory / government authorities		8.82	12.21	-	2.22
Gratuity fund (Refer note 31)		-	0.77	-	-
	(C)	42.16	57.93	33.53	44.76
Total other assets	(A+B+C)	128.80	177.68	388.34	240.00

10. Inventories (valued at lower of cost and net realizable value)

		(Rs. in million)	
		March 31, 2020	March 31, 2019
Raw materials		855.16	425.13
Goods in Transit		58.67	19.34
Stores and spares		291.74	296.82
Total inventories		1,205.57	741.29

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11. Trade receivables

	(Rs. in million)	
	March 31, 2020	March 31, 2019
Carried at amortised cost		
Unsecured, considered good		
Receivable from related parties (refer note 30)	1,757.13	1,733.34
Other trade receivables	2,756.40	2,911.87
(A)	4,513.53	4,645.21
Trade receivables (credit impaired)		
Other trade receivables	37.35	-
(B)	37.35	-
Impairment Allowance (allowance for bad and doubtful debts)		
Less: Trade receivables - credit impaired	(37.35)	-
Total trade receivables	4,513.53	4,645.21
Receivable from related parties:		
GETL	1,757.13	1,733.34
Total	1,757.13	1,733.34

Notes:

- Trade receivables are interest bearing @ 12% p.a. and are generally on terms of 30 days.
- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- The Company has claimed compensation for various "change in law" events including coal cost pass through, duties and taxes, carrying cost etc. from its customers under the Power Purchase Agreements ('PPA') and filed petitions with the regulatory authorities for settlement of such claims in favour of the Company. Based on certain interim favourable orders by Central Electricity Regulatory Commission ('CERC') the management is confident of settlement of claims (including interest thereon) made by the Company in its favour and has accordingly accounted Rs. 8,409.52 million till the period ended March 31, 2020 (including Rs. 1,121.15 million accounted during the year ended March 31, 2020). The Company has trade receivables and unbilled revenue of Rs. 5,358.73 million as at March 31, 2020, including Rs. 2,625.57 million receivable towards the aforementioned claims. The management of the Company based on its internal assessment and certain interim favourable regulatory orders, is of the view that the aforesaid balances are fully recoverable as at March 31, 2020 and accordingly, has not made any adjustments in the Ind AS financial statements for the year ended March 31, 2020.
- Refer note 34 for details pertaining to credit risk.

12. Cash and cash equivalents

	(Rs. in million)			
	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Balances with banks				
- On current accounts	-	-	40.43	80.65
Cash on hand	-	-	0.13	0.66
(A)	-	-	40.56	81.31
Other bank balances				
-Restricted balances with banks ¹	112.59	246.30	-	-
(B)	112.59	246.30	-	-
Amount disclosed under other financial assets (refer note 7)	(112.59)	(246.30)	-	-
(C)	(112.59)	(246.30)	-	-
Total	(A+B)	-	40.56	81.31

1. A charge has been created over the deposits of Rs. 112.59 million (March 31, 2019: Rs. 246.30 million) towards various bank guarantees, long term and short term borrowings availed by the Company.

2. Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Company and earn interest at the respective short-term deposit rates.

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13. Equity Share Capital

	Equity Shares		Preference Shares	
	In Numbers	(Rs. in million)	In Numbers	(Rs. in million)
Authorised share capital:				
As at April 01, 2018	900,000,000	9,000.00	200,000,000	2,000.00
Increase/(decrease) during the year	-	-	-	-
As at March 31, 2019	900,000,000	9,000.00	200,000,000	2,000.00
Increase/(decrease) during the year	-	-	-	-
As at March 31, 2020	900,000,000	9,000.00	200,000,000	2,000.00

a. Issued share capital

(i) Equity shares of Re. 1 each issued, subscribed and fully paid

As at April 01, 2018
Changes during the year
As at March 31, 2019
Changes during the year
As at March 31, 2020

	In Numbers	(Rs. in million)
As at April 01, 2018	870,000,000	8,700.00
Changes during the year	-	-
As at March 31, 2019	870,000,000	8,700.00
Changes during the year	-	-
As at March 31, 2020	870,000,000	8,700.00

(ii) Redeemable Non-Convertible Non-Participating Preference shares ('NCPS')

As at April 01, 2018
Changes during the year (Refer note 13 (c))
As at March 31, 2019
Changes during the year
As at March 31, 2020

	In Numbers	(Rs. in million)
As at April 01, 2018	75,000,000	750.00
Changes during the year (Refer note 13 (c))	(75,000,000)	(750.00)
As at March 31, 2019	-	-
Changes during the year	-	-
As at March 31, 2020	-	-

(iii) 0.001% Non-cumulative Non-Participating Compulsorily Convertible Preference shares ('CCPS')

As at April 01, 2018
Changes during the year (Refer note 13 (c) and note 13 (d) below)
As at March 31, 2019
Changes during the year
As at March 31, 2020

	In Numbers	(Rs. in million)
As at April 01, 2018	-	-
Changes during the year (Refer note 13 (c) and note 13 (d) below)	170,008,060	1,700.08
As at March 31, 2019	170,008,060	1,700.08
Changes during the year	-	-
As at March 31, 2020	170,008,060	1,700.08

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

c. Terms/Rights Attached to Redeemable Non-Convertible Non-Participating Preference shares ('NCPS'):

During the year ended March 31, 2015, the Company had issued 75,000,000 Non-Convertible Non-Participating Preference Shares ('NCPS') of Rs. 10/- each fully paid-up at par aggregating to Rs.750 million to GMR Energy Limited. The NCPS did not carry any dividend. These preference shares were redeemable at par at the 16th year after issue. Refer note 13 (d) below.

d. Terms/Rights Attached to 0.001% Non-Cumulative Non-Participating Compulsorily Convertible Preference Shares (CCPS):

During the year ended March 31, 2019, the Company had converted these 75,000,000 NCPS of Rs. 10/- each fully paid-up at par aggregating to Rs. 750 million in to 75,000,000 number of 0.001% Non-Cumulative Non-Participating Compulsorily Convertible Preference Shares ('CCPS') of Rs. 10 each fully paid up at par aggregating to Rs. 750 million.

Further, during the year ended March 31, 2019, pursuant to the approval of the Board of Directors, the Company had issued 950,08,060 CCPS of Rs. 10/- each at a premium of Rs. 2.42/- per share to GMR Energy Limited (total face value of Rs. 950.08 Million) out of the proceeds of the sub-ordinated debts and inter-corporate deposits.

CCPS carries preferential dividend at the rate of 0.001% p.a. subject to availability of profits and lenders' consent. The preferential dividend is non-cumulative and shall be due only when declared by the Board. Each CCPS shall have one vote at the meeting of CCPS holders.

Further, in case the dividend on CCPS is not paid for two years or more, the holders of the CCPS shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the Shareholders of the Company (including the holders of equity shares) in terms of section 47 of the Companies Act 2013.

Each CCPS will be converted into equity shares at any time at the option of the holder of CCPS or the Company. Subject to compliance with applicable laws, each CCPS shall automatically be converted into equity shares at the expiry of 15 years from the CCPS respective issue dates.

The number of equity shares issuable pursuant to the conversion of CCPS shall be in the ration of 1:1.

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e. Shares held by holding/ultimate holding company and/ or their subsidiaries/ associates.
 Out of the equity share issued by the Company, share held by its holding company are as below:

Name of Shareholder	March 31, 2020		March 31, 2019	
	No. of shares held	(Rs. in million)	No. of shares held	(Rs. in million)
GMR Energy Limited - Holding Company Equity shares of Re. 10 each, fully paid up	870,000,000	8,700.00	870,000,000	8,700.00
GMR Energy Limited - Holding Company 0.001% Non-Cumulative Non-Participating Compulsorily Convertible Preference Shares (CCPS)	170,008,060	1,700.08	170,008,060	1,700.08

f. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	March 31, 2020		March 31, 2019	
	No. of shares held	% holding in class	No. of shares held	% holding in class
GMR Energy Limited - Holding Company Equity shares of Re. 10 each, fully paid up	870,000,000	100.00%	870,000,000	100.00%
GMR Energy Limited - Holding Company 0.001% Non-Cumulative Non-Participating Compulsorily Convertible Preference Shares (CCPS)	170,008,060	100.00%	170,008,060	100.00%

g. As per records of the Company including its register of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares.

h. Shares reserved for issue under option:

For details of shares reserved for issue on conversion of CCPS, please refer note 13 (d).

i. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:
 Refer note 13(d).

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14. Other Equity

Debenture Redemption Reserve¹		(Rs. in million)
Balance at the beginning and end of the year	(A)	<u>187.50</u>
Securities premium²		(Rs. in million)
Balance as at April 01, 2018		-
Securities premium on issue of CCPS (Refer note 13 (d)).		229.92
Balance as at March 31, 2019		<u>229.92</u>
Balance as at March 31, 2020	(B)	<u>229.92</u>
Capital contribution from parent (equity component of debt instruments from parent)³		(Rs. in million)
Balance as at April 01, 2018		1,288.26
Transfer to retained earnings on de-recognition of equity component of non-convertible debenture (net of tax) pursuant to repayment		(162.76)
Transfer to instrument entirely equity in nature (net of tax) pursuant to conversion of NCPS / inter-corporate deposits to CCPS (refer note 13 (d)).		(1,125.50)
Balance as at March 31, 2019		-
Balance as at March 31, 2020	(C)	<u>-</u>
Retained earnings⁴		(Rs. in million)
Balance as at April 01, 2018		(7,184.16)
Profit/ (loss) for the year		2,624.59
Re-measurement gains / (losses) on defined benefit plans (net of taxes)		(0.08)
De-recognition of equity component of non-convertible debenture (net of tax) on repayment and transfer to retained earnings		162.76
Liability component (to the extent of amortised interest cost) of NCPS / inter-corporate deposits transferred to retained earnings pursuant to conversion to CCPS (refer note 13(d)).		128.17
Balance as at March 31, 2019		<u>(4,268.72)</u>
Profit/ (loss) for the year		(2,138.07)
Re-measurement gains / (losses) on defined benefit plans		(0.82)
Balance as at March 31, 2020	(D)	<u>(6,407.61)</u>
0.001% Non-cumulative Non-Participating Compulsorily Convertible Preference shares ('CCPS') (refer note 13(d))		
Balance as at April 01, 2018		-
Issued pursuant to conversion of NCPS / inter-corporate deposits to CCPS		1,700.08
Balance as at March 31, 2019		<u>1,700.08</u>
Balance as at March 31, 2020	(E)	<u>1,700.08</u>
Total other equity	(A+B+C+D+E)	
Balance as at April 01, 2018		(5,708.40)
Balance as at March 31, 2019		<u>(2,151.22)</u>
Balance as at March 31, 2020		<u>(4,290.11)</u>

1. The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Company to create DRR out of profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued over the life of the debentures issued.

2. Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

3. Equity Component of Related Party Transaction represents the difference in carrying value and fair value of Preference Shares and Subordinate Debt issued to its parent on initial recognition. Fair value is determined by discounting the estimated cash flows expected over the term of the instrument using an applicable discount rate. The equity component of related party transactions are adjusted to the carrying amount on account of extinguishment of liability and are disclosed net of deferred tax.

4. Retained Earnings are the profits/(losses) of the Company till date net of appropriations.

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15. Financial liabilities - Borrowings (at amortised cost)

	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
(Rs. in million)				
Long term borrowings:				
Debentures				
750 (March 31, 2019: 750) Non-convertible debentures of Rs.1,000,000 each(secured) ^{1,7}	-	-	747.63	747.08
Term Loans				
From banks				
Indian rupee term loans (secured) ^{2,3(a),3(b),3(c),6,7}	25,811.26	26,867.89	1,486.15	2,211.09
From financial institutions				
Indian rupee term loans (secured) ^{4,6,7}	292.22	398.25	150.00	250.00
Short term borrowings:				
Cash Credit loan from bank (secured) ⁵	-	-	3,064.57	2,977.28
	26,103.48	27,266.14	5,448.35	6,185.45
The above amount includes				
Secured borrowings	26,103.48	27,266.14	5,448.35	6,185.45
Unsecured borrowings	-	-	-	-
Less: amount clubbed under "Other financial liabilities" (refer note 16)	-	-	(2,383.78)	(3,208.17)
Total financial liabilities - borrowings	26,103.48	27,266.14	3,064.57	2,977.28

1. During the year ended March 31, 2015, the Company had issued 750 secured, rated, listed, redeemable, non convertible debentures (NCD) of the face value of Rs. 1,000,000/- each which are listed on Bombay Stock Exchange. The secured NCD carries coupon rate of 14.40% per annum (March 31, 2019: 12.5%) payable semi-annually. Additionally, these debentures carry an additional coupon rate to the extent of 0.25% p.a. payable for every notch below agreed rating of NCD.

Apart from the securities mentioned in note 15(6) below, these debentures are secured by way of (i) pledge of shares of at least 51% of the total equity shareholding together with all accretions thereon of the Company held by the Holding Company (ii) corporate guarantee of the Holding Company (iii) pledge of 37.50 million shares of GMR Bajoli Holi Hydropower Private Limited (GBHHPL) held by the Holding Company. The above security shall rank pari-passu inter-se amongst the rupee term loan lenders, working capital lenders and bond holders as per the base case business plan as approved by the lenders. These debentures were redeemable in 3 equal installments commencing from September 2022.

The Debenture holders have a put option for full facility amount exercisable on or by September 25, 2019. During the year ended March 31, 2020, the debenture holders have exercised the put option for immediate repayment of the full amount. However, subsequently, the debenture holders have agreed to defer the repayment for a period of 1 year till September 25, 2020 based on the request of the Company.

2. Indian rupee term loan from bankers of Rs. 25,295.18 million (March 31, 2019: Rs. 26,793.06 million) carries interest @ Lead Banker's 1 Year Marginal Cost of fund-based Lending Rates ('MCLR') plus spread of 3.15% p.a. (March 31, 2019: Lead Bankers's 1 Year MCLR plus spread of 3.15% p.a.) and interest is payable on a monthly basis. Apart from the securities mentioned in note 15(6) below, the loan is secured by way of a subservient charge created on the aforementioned assets to secure the financial assistance of Rs. 10,000 million availed by GMR Infrastructure Limited ('GIL') from a lender and shall continue until such facility is repaid by GIL to the satisfaction of the said lender. 72% of the loan is repayable in fifty four structured quarterly installments commencing June, 2016 and ending on September 30, 2039 and remaining 28% of loan is repayable in a single bullet by way of refinancing in September, 2030

3(a). Indian rupee term loan from a bank of Rs.261.90 million (March 31, 2019: Rs. 471.40 million) carries interest @ MCLR plus spread of 3.00% p.a.(March 31, 2019: @ lender's 1 Year MCLR plus spread of 3.00% p.a.) and interest is payable on a monthly basis. The loan is repayable in 20 equal quarterly instalments commencing from July 31, 2016 and ending on April 30, 2021.

3(b). Indian rupee term loan from a bank of Rs. 816.29 million (March 31, 2019: Rs. 863.39 million) carries interest @ base rate of lender plus spread of 4.15% p.a. (March 31, 2019: base rate of lender plus spread of 4.15% p.a.) and interest is payable on a monthly basis. The loan is repayable in 31 structured quarterly instalments commencing from September 30, 2017 and ending on March 31, 2025.

3(c) Indian rupee term loan from a bank of Rs. 924.04 million (March 31, 2019: Rs. 951.13 million) carries interest @ base rate of lender plus spread of 2.30% p.a. (March 31, 2019: base rate of lender plus spread of 2.30% p.a.) and interest is payable on a monthly basis. The loan is repayable in 74 structured quarterly instalments commencing from June 30, 2016 and ending on March 31, 2034.

3(d) Apart from the securities mentioned in note 15(6) below, the above loans mentioned in paras 3(a), 3(b) and 3(c) are secured by first ranking pari passu or subservient charge/ mortgage /hypothecation over the below described assets in favour of lender or security trustee, as applicable:

- (i) exclusive pledge of equity shares of GIL such that share pledge provides a cover of 2.0 times over the outstanding loan amount,
- (ii) pledge of shares of at least 23% of the total equity shareholding together with all accretions thereon of the Company held by the Holding Company,
- (iii) pledge of 26% of the equity shares of GMR Vemagiri Energy Limited ('GVPGL') held by the Holding Company.



GMR Warora Energy Limited

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Notes to the financial statements for the year ended March 31, 2020

4. Indian rupee term loan from a financial institution of Rs. 442.22 million (March 31, 2019: Rs. 648.25 million) carries interest @ rate of 13.00% p.a. (March 31, 2019: 13.00% p.a.) and interest is payable on a monthly basis. Apart from the securities mentioned in note 15(6) below, the loan is secured by way of (i) pledge of shares representing 51% (fifty one percent) of the total paid up equity share capital of the Company held by the Holding Company. The loan is repayable in 20 equal quarterly instalments commencing from June 30, 2017 and ending on March 31, 2022.

5. Apart from the securities mentioned in note 15(6) below, Cash Credit loans from bank are secured by way of (i) pledge of shares representing 51% (fifty one percent) of the total paid up equity share capital of the Company held by the Holding Company. The Cash Credit Overdraft facility is repayable on demand and carries an interest rate ranging between 11.10% to 11.75% (March 31, 2019: 11.10% to 11.75%).

6. The above borrowings are secured by way of:

(i) first pari-passu charge by way of mortgage on all immovable properties (owned and leased subject to provisions of extant laws in relation to Revenue Land) together with all buildings and structures and appurtenances thereon, present and future, of the Company, pertaining to the project. (ii) first pari-passu charge by way of hypothecation of all the Company's movable property including movable plant and machinery, spares, tools, accessories, furniture, fixtures, vehicles and other movable assets both present and future of the Borrower pertaining to the Project. (iii) first charge cum assignment of all project related documents, contracts, rights, interests, insurance policies, permits/approvals and all benefits incidental to the project. (iv) first charge on book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future, intangibles, goodwill, present and future of the Company. (v) first charge by way of hypothecation on all the current assets of the Company present and future. (vi) first charge on all the Project's bank accounts including but not limited to DSRA and the Trust & Retention Account (TRA) opened in a designated bank, where all cash inflows of the Project shall be deposited and all proceeds shall be utilised in a manner that the priority is decided by the lenders. (vii) first charge cum assignment of all the Company's rights and interests under Letter of Credit or such other security to be provided by the procurer of power under the terms of the PPA in favour of the Company, guarantee or performance bond provided by any party for any contract in favour of the Company pertaining to the Project.

7 The Company has opted for moratorium of six months in respect of principal and interest due from the month of March 2020 as per the notification issued by the Reserve Bank of India dated March 27, 2020 and May 23, 2020 on account of COVID-19 which have been taken up with the lenders. As at March 31, 2019, the Company had defaulted in the principal repayment and payment of interest, details of which are as under:

Nature	Particulars	March 31, 2019 (Rs. in million)	Period of Default (No. of Days)
Repayment of Principal	Indian Rupee term loans from banks	417.09	0-30
Payment of Interest	Indian Rupee term loans from banks and financial institutions	294.57	0-30

8. Also, refer note 34(c)(iii).

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16. Other financial liabilities

	(Rs. in million)			
	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Other financial liabilities recognised at amortised cost				
Current maturities of long term borrowings (refer note 15)	-	-	2,383.78	3,208.17
Interest accrued on borrowings (refer note 15 (7))	-	-	273.04	322.40
Accrued salaries and benefits	-	-	99.06	95.16
Retention money payable to related parties	-	-	29.58	22.42
Capital creditors (including retention money payable) to other than related parties	-	-	734.93	790.96
Retention money payable to others	-	-	191.14	194.54
Capital creditor outstanding dues of micro and small enterprises	-	-	-	-
Capital creditors	-	-	543.79	596.42
	-	-	3,520.39	4,439.11

17. Provisions

	(Rs. in million)			
	Long-term		Short-term	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Provision for employee benefits				
-Provision for compensated absences	-	-	58.88	59.86
-Provision for gratuity (refer note 31)	4.72	-	-	-
Provision for rebates (refer note 33)	-	-	6.86	2.81
Provision for asset retirement obligation/ decommissioning liability (refer note 33)	56.56	52.45	-	-
	61.28	52.45	65.74	62.67

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18. Financial liabilities - Trade payables

	(Rs. in million)	
	Current	
	March 31, 2020	March 31, 2019
Carried at amortised cost		
Total outstanding dues of micro enterprises and small enterprises ^{1,2}	30.05	17.78
Total outstanding dues of creditors other than micro enterprises and small enterprises ¹		
- Trade payables to related parties (refer note 30)	426.89	500.99
- Trade payables to others	1,291.21	1,858.88
Total trade payables	1,748.15	2,377.65

1. Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing.
- For explanations on the Company's credit risk management processes, refer note 34 (c).
- The dues to related parties are unsecured.

2. Trade payables include due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2016). Amount due to suppliers under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with and filings made by the Company. The Company has not received any claim for interest from any supplier as at balance sheet date. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMED Act 2006 is not expected to be material. The disclosure pursuant to the said Act is as under:

	(Rs. in million)	
	March 31, 2020	March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal amount due to micro and small enterprises (includes dues to capital creditors) (refer note 16)	30.05	17.78
- Interest thereon	0.32	0.18
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
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 this Act during each accounting year	3.34	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	3.66	0.18
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure.	4.52	0.86

19. Other liabilities

	(Rs. in million)			
	Non-Current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Advances from customers (refer note 30)	-	-	1.38	1.49
Statutory dues payable	-	-	33.44	21.47
Total other liabilities	-	-	34.82	22.96

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20. Revenue from operations

	(Rs. in million)	
	March 31, 2020	March 31, 2019
Income from sale of electrical energy (refer note 11(c))	18,442.86	18,942.22
	18,442.86	18,942.22

- Sale of electrical energy is net of prompt payment rebate of Rs. 248.47 Million (March 31, 2019: Rs. 197.51 Million).

Notes to revenue from operations:

a) Income from sale of electrical energy is recognised net of cash discount / rebates over time for each unit of electricity delivered.

b) Reconciliation of revenue recognised in the statement of profit and loss with contracted price

Particulars	(Rs. in million)	
	March 31, 2020	March 31, 2020
Income from sale of electrical energy	18,442.86	18,942.22
Add: Rebates	248.47	197.51
Total Revenue as per Contracted Price	18,691.33	19,139.73

c) Contract balances:

Particulars	(Rs. in million)	
	As at	
	March 31, 2020	March 31, 2019
Trade receivables		
- Current (gross)	4,550.88	4,645.21
- Provision for impairment loss	(37.35)	-
Contract assets		
Unbilled revenue		
- Current	845.20	2,028.72
Contract liabilities		
Advance from customers		
- Current	1.38	1.49

Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

21 (a). Other income

	(Rs. in million)	
	March 31, 2020	March 31, 2019
Miscellaneous income	46.12	31.58
	46.12	31.58

21 (b). Finance income

	(Rs. in million)	
	March 31, 2020	March 31, 2019
Interest income on delayed payment surcharge	-	238.87
Interest income on bank deposits	8.99	18.01
	8.99	256.88

22. Consumption of fuel

	(Rs. in million)	
	March 31, 2020	March 31, 2019
Inventory at the beginning of the year	444.47	395.86
Add: Purchases	9,781.04	9,593.55
	10,225.51	9,989.41
Less: Inventory at the end of the year	913.83	444.47
	9,311.68	9,544.94

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23. Employee benefit expenses

Salaries, wages and bonus
Contribution to provident and other funds (refer note 31)
Gratuity expenses (refer note 31)
Staff welfare expenses

(Rs. in million)	
March 31, 2020	March 31, 2019
408.76	461.65
28.30	29.94
4.58	4.68
5.85	2.02
447.49	498.29

24. Depreciation and amortisation expenses

Depreciation of property, plant and equipment (refer note 3)
Depreciation of Right of Use assets (refer note 32(i))
Amortisation of other intangible assets (refer note 4)

(Rs. in million)	
March 31, 2020	March 31, 2019
1,192.70	1,136.88
19.30	-
0.38	1.53
1,212.38	1,138.41

25. Finance costs

Interest expenses
Other borrowing costs

(Rs. in million)	
March 31, 2020	March 31, 2019
3,996.43	4,045.51
89.50	76.26
4,085.94	4,121.77

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26. Transmission charges

	(Rs. in million)	
	March 31, 2020	March 31, 2019
Transmission charges (net of reimbursement as stated below)	1,122.78	1,040.34
	1,122.78	1,040.34

The Company has a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') for sale of power for an aggregate contracted capacity of 200 MW. MSEDCL disputed place of evacuation of power by the Company and filed an appeal with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed the Company to construct separate lines for evacuation of power through State Transmission Utility ('STU') though the Company was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, the Company preferred an appeal with Appellate Tribunal for Electricity ('APTEL'). APTEL vide its interim Order dated February 11, 2014 directed the Company to start scheduling the power from the Company's bus bar and bear transmission charges of inter-state transmission system towards supply of power. The Company in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld the Company's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by the Company as per its interim order. Accordingly, as at March 31, 2020, the Company has raised claim of Rs. 5,357.66 million towards reimbursement of transmission charges from March 17, 2014 till March 31, 2020. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and also applied for stay proceedings for the above order of APTEL, which was rejected by the Hon'ble Supreme Court of India.

In view of the favourable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that the Company has tenable case with respect to the appeal filed by MSEDCL against the Order of APTEL which is pending before Hon'ble Supreme Court of India, the Company has recognized the reimbursement of transmission charges of Rs. 5,357.66 million relating to the period from March 17, 2014 to March 31, 2020 (including Rs. 1,216.80 million for the year ended March 31, 2020) in the Statement of profit and loss.

27. Other expenses

	(Rs. in million)	
	March 31, 2020	March 31, 2019
Repairs and maintenance (refer note 30)	390.57	267.22
Legal and professional fees (includes payment to auditor (refer details below))	127.86	133.78
Consumption of stores and spares	104.13	92.99
Insurance	67.44	32.76
Logo fees	-	63.65
Rates and taxes	19.30	17.64
Provision for doubtful advances/trade advances written off	57.14	182.41
Lease charges (refer note 32(I))	20.64	34.44
Power and fuel	20.06	17.45
Loss on account of foreign exchange fluctuations(net)	2.68	6.08
Corporate social responsibility expenses	23.29	17.77
Property, plant and equipment written off	4.10	0.91
Miscellaneous expenses	140.16	162.62
Total other expenses	977.37	1,029.72

a) Payment to auditors (exclusive of goods and service tax)

	(Rs. in million)	
	March 31, 2020	March 31, 2019
As auditor:		
Audit fee (including fees for internal controls over financial reporting and quarterly limited reviews)	3.00	2.95
In other capacity		
Other Services (including certification fees)	0.49	0.13
	3.49	3.08

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28. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit/ loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	(Rs. in million)	
	March 31, 2020	March 31, 2019
Face value of equity shares (Re. per share)	10	10
Profit/ (loss) attributable to equity shareholders	(2,138.07)	2,624.59
Weighted average number of equity shares for computing:		
Basic earning per share (EPS)	870,000,000	870,000,000
Diluted earning per share (EPS)	1,040,008,060	921,247,768
Earning per share (EPS)		
Basic EPS	(2.46)	3.02
Diluted EPS	(2.46)	2.85

Note:

1. The allotment of conversion option in case of Compulsorily Convertible Preference Shares ('CCPS') would decrease the loss per share for the periods in which the Company has incurred losses and accordingly has been ignored for the purpose of calculation of diluted earnings per share.



29. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include impairment of non financial assets including property, plant and equipment, provision for employee benefits and other provisions, recoverability of deferred tax assets, revenue recognition from change in law and coal pass through and realisation thereof and commitments and contingencies, useful life of property plant and equipment and fair valuation of financial instruments.

i) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Taxes

Deferred tax assets for unutilised tax losses and tax depreciation are recognised to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Deferred tax assets is recognised to the extent of the corresponding deferred tax liability. Refer note 8 for further

b. Revenue recognition and Trade receivables

The Company is eligible for claims under various Change in Law events which are having cost implications on generation and supply of power such as duties and taxes, incremental cost of power generation, etc., due to purchase of alternative coal in terms of the framework of Power Purchase Agreements entered by the Company with the various Discoms and carrying cost thereof. Such claims are accounted by the Company based on best estimates including orders / reports of Regulatory Authorities, which may be subject to adjustments on receipt of final orders of the respective Regulatory Authorities or final closure of the matter with the customers.

The recognition and measurement of such claims on account of change in law events and carrying costs thereof, involves management judgement and estimation of operational / cost parameters based on qualitative parameters and are subject to final acceptance of the claims by the respective Discoms.

The Company estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 34.

c. Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 35

d. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

e. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount of property, plant and equipment is the higher of its fair value less costs of disposal and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates relating to renewal of PPA with one of its customer expiring in June 2020, conclusion and realisation of claims with Discoms currently under dispute for various change in law events, rampup in production and improvement in operational performance of the plants, tariff, life extension plans, availability and market prices of coal with specific grades, decline in interest rates economic and regulatory environment etc. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

f. Useful lives of property, plant and equipment

In case of the power plant assets, useful life of components of property, plant and equipment taking into account the nature of the assets, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, manufacturer warranties and maintenance support, depreciation on the same is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

g. Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 34.



30. Related parties

a) Names of related parties and description of relationship:

Description of relationship	Name of the related parties
Enterprises that control the Company	GMR Energy Limited [GEL], the Holding Company
Transactions with enterprises that jointly control the Holding Company and its subsidiaries and joint ventures / associates where transactions have taken place during the current year / previous year.	GMR Enterprises Private Limited [GEPL] GMR Infrastructure limited [GIL] Raxa Securities Services Limited [RSSL] GMR Corporate Affairs Private Limited [GCAPL] GMR Hospitality and Retail Limited [GHRL] (formerly GMR Hotels & Resorts Limited) GMR Energy Trading Limited [GETL] GMR Chhattisgarh Energy Limited [GCEL] Delhi International Airport Limited [DIAL] GMR Infrastructure (Singapore) PTE Limited [GISPL] GMR Kamalanga Energy Limited [GKEL]
Fellow subsidiaries where transactions have taken place during the current year/previous year	GMR Vemagiri Power Generation Limited [GVPGL] GMR Consulting Services Private Limited [GCSPL]
Enterprise where key management personnel or their relative exercise significant influence where transactions have taken place during the current year / previous year.	GMR Family Fund Trust [GFFT] GMR Varalakshmi Foundation [GVF]
Key management personnel and their relatives	Mr. Srinivas Bommidala - Managing Director [w.e.f., April 1, 2018] Mr. Ashis Basu - Whole Time Director Mr. Sanjay Narayan Barde - Whole Time Director Mr. Dhananjay Deshpande - Whole Time Director Ms. Meena Raghunathan - Director Mr. S K Goel - Independent Director Dr. M Ramachandran - Independent Director Mr. S Rajagopal- Director [w.e.f., March 27, 2020]

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31. Gratuity and other post-employment benefit plans

a) Defined contribution plan

Particulars	(Rs in million)	
	March 31, 2020	March 31, 2019
Provident and pension fund	18.76	19.57
Superannuation fund	9.49	10.29
Employee State Insurance	0.05	0.08
Total	28.30	29.94

b) Defined benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic) for each completed year of service.

The fund provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. Although we know that the fund manager invests the funds as per products approved by Insurance Regulatory and Development Authority of India and investment guidelines as stipulated under section 101 of Income Tax Act, the exact asset mix is unknown and not publicly available. The Trust assets managed by the fund manager are highly liquid in nature and we do not expect any significant liquidity risks. The Trustees are responsible for the investment of the assets of the Trust as well as the day to day administration of the scheme.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for gratuity benefit.

i. Net benefit expenses (recognized in the statement of profit and loss)

Particulars	(Rs in million)	
	March 31, 2020	March 31, 2019
Current service cost	4.46	4.65
Past service cost - plan amendments	-	-
Net interest cost on defined benefit obligations/ (assets)	0.11	0.03
Net benefit expenses	4.58	4.68

ii. Remeasurement (gains)/ loss recognised in other comprehensive income:

Particulars	(Rs in million)	
	March 31, 2020	March 31, 2019
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	0.45	0.01
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	2.32	-
Actuarial (gain)/ loss arising during the year	2.77	0.01
Return on plan assets (greater)/ less than discount rate	(1.67)	0.11
Actuarial (gain)/ loss recognised in OCI	1.10	0.12

iii. Net defined benefit asset/ (liability)

Particulars	(Rs in million)	
	March 31, 2020	March 31, 2019
Defined benefit obligation	(37.63)	(36.14)
Fair value of plan assets	32.91	36.91
Plan (liability)/ asset	(4.72)	0.77

iv. Changes in the present value of the defined benefit obligation are as follows:

Particulars	(Rs in million)	
	March 31, 2020	March 31, 2019
Opening defined benefit obligation	36.14	32.64
Current service cost	4.46	4.65
Interest cost on the defined benefit obligation	2.61	2.41
Benefits paid	(3.61)	(1.74)
Acquisition adjustment	(4.74)	(1.83)
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	0.45	0.01
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	2.32	-
Closing defined benefit obligation	37.63	36.14

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v. Changes in the fair value of plan assets are as follows:

Particulars	(Rs in million)	
	March 31, 2020	March 31, 2019
Opening fair value of plan assets	36.91	27.87
Interest income on plan assets	2.50	2.38
Contributions by employer	0.18	10.34
Benefits paid	(3.61)	(1.74)
Return on plan assets (lesser)/ greater than discount rate	1.67	(0.11)
Acquisition adjustment	(4.74)	(1.83)
Closing fair value of plan assets	32.91	36.91

The Company expects to contribute Rs. 4.14 million (March 31, 2019: Rs. 5.96 million) towards gratuity fund in 2020-21.

vi. The following pay-outs are expected in future years:

Particulars	(Rs in million)
	March 31, 2020
March 31, 2021	4.15
March 31, 2022	2.52
March 31, 2023	4.46
March 31, 2024	8.24
March 31, 2025	4.37
March 31, 2026 to March 31, 2030	20.54

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2019: 10 years).

vii. The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2020	March 31, 2019
Investments with insurer	100%	100%

viii. The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	March 31, 2020	March 31, 2019
Discount rate (in %)	6.80%	7.60%
Salary escalation (in %)	6.00%	6.00%
Employee turnover	5.00%	5.00%
Mortality rate	Refer Note 4 below	Refer Note 4 below

Notes:

- Plan assets are fully represented by balance with the Life Insurance Corporation of India.
- The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
- The estimates of future salary increase in compensation levels, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- As per Indian Assured Lives Mortality (2006-08) (modified) Ultimate
- Plan Characteristics and Associated Risks:
 The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:
 a. 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
 b. Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
 c. 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.

ix. A quantitative sensitivity analysis for significant assumption as at March 31, 20120 is as shown below:

Discount rate	(Rs in million)	
	March 31, 2020	March 31, 2019
Impact on defined benefit obligation due to 1% increase in discount rate	(2.86)	(2.58)
Impact on defined benefit obligation due to 1% decrease in discount rate	3.34	3.00
Salary escalation rate		
Impact on defined benefit obligation due to 1% increase in salary escalation rate	3.07	2.71
Impact on defined benefit obligation due to 1% decrease in salary escalation rate	(2.67)	(2.37)
Attrition Rate		
Impact on defined benefit obligation due to 1% increase in attrition rate	0.20	0.33
Impact on defined benefit obligation due to 1% decrease in attrition rate	(0.23)	(0.39)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

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32. Lease, commitments and contingencies

I Leases

Operating lease: Company as a lessee

The Company has certain non-cancellable lease contracts in respect of finance leases for land and cancellable operating lease agreement for guest house and office spaces. Leases of land have lease term of 95 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are certain variable lease payments which are further discussed below.

The Company also has certain short-term leases for guest houses. The Company applies the 'short-term leases' recognition exemptions for these leases.

In case of land, the Company had been allotted lands under lease with a term of 95 years with an initial payment equivalent to the fair value of the land. The Company further has to pay fixed nominal amount of annual ground rent and service charges in the form of variable payments during the lease tenure. The lease can be further renewed for a period of 15 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	(Rs. in million)		
	Leasehold Land	Office buildings	Total
As at April 01, 2019 (Refer note 3)			
Additions	347.12	76.39	423.51
Depreciation expenses	-	-	-
As at March 31, 2020	(4.00)	(15.30)	(19.30)
	343.12	61.09	404.21

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	(Rs. in million)	
	Lease rental	
As at April 01, 2019		76.39
Additions		-
Accretion of interest		8.50
Payments		(17.68)
As at March 31, 2020		67.21
Current		19.08
Non-current		48.13

The maturity analysis of lease liabilities are disclosed in Note 34.

The effective interest rate for lease liabilities is 12%.

The following are the amounts recognised in profit or loss:

Particulars	(Rs. in million)	
	Amount	
Depreciation expense of right-of-use assets		19.30
Interest expense on lease liabilities		8.50
Expense relating to short-term leases (included in other expenses)		5.08
Expense relating to variable payments (included in other expenses)		15.56
Total amount recognised in profit or loss		48.44

The Company had total cash outflows for leases of Rs. 38.32 millions in the year ended March 31, 2020.

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II Contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Particulars ⁶	(Rs. in million)	
	As at	
	March 31, 2020	March 31, 2019
Bank Guarantees outstanding	1,465.58	1,318.48
Matters relating to indirect taxes under dispute	5.65	0.45
Matters relating to direct taxes under dispute ⁵	73.76	-
Others ²	100.03	100.03

Others in addition to above

- The Company is subject to legal proceeding and claims relating to acquisition of land and other matters, which have arisen in the ordinary course of business. The Company has reviewed all its pending litigations and proceedings and is not carrying provisions for all the above mentioned amounts in its books of account, as the Company's management is confident of successfully litigating the matters and these are disclosed as contingent liability, where applicable in its Ind AS financial statements. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Company's results of operations or financial condition.
- The Company had experienced certain delays and incurred cost overruns in the completion of construction of transmission lines during the project phase. During the year ended March 31, 2017, the vendor had invoked arbitration clause under the contract and claimed damages of Rs 100.00 million (approximately). Based on internal legal assessment, management of the Company is confident that the claims raised by the vendors are not tenable and hence no adjustments have been made in the Ind AS financial statements.
- The aforesaid amounts under disputes are as per the demands from various authorities for the respective periods and has not been adjusted to include similar demands for any subsequent years and further interest and penalty leviable, if any, at the time of final outcome of the appeals.
- There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28th, 2019, on Provident Fund on the inclusion of allowances for the purpose of Provident Fund contribution as well its applicability of effective date. The Company has complied with the said judgement on prospective basis. The management is awaiting more clarity on its retrospective applicability.
- Certain demands from the Income tax authorities have been set off against the brought forward business loss and depreciation of previous years on which the Company has recognised deferred tax asset and accordingly the amount disclosed as contingent liability represents the demands before setting off such brought forward loss and depreciation.
- The management believes that the ultimate outcome of the above matters will not have any material adverse effect on the Company's financial position and result of operations.

III Commitments

a. Capital commitments

Particulars	(Rs. in million)	
	As at	
	March 31, 2020	March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	7.56	5.31
Other Commitments	268.84	267.13

b. Other commitments

The Company has entered into fuel supply agreement with South Eastern Coalfields Limited whereby the Company has committed to purchase and supplier has committed to sell contracted quantity of fuel for defined period as defined in the fuel supply agreements.

The Company entered into PPAs with customers, pursuant to which it has committed to sell power of contracted capacity as defined in the respective PPAs, make available minimum PLF over the period of tariff year as defined in the respective PPAs. The PPAs contain provision for disincentives and penalties in case of certain defaults.

The Company has entered into long term maintenance agreements with sub-contractors whereby it has committed to pay fixed charges in addition to variable charges based on operating performance as defined in the agreements. The entities have also committed to pay incentives on attainment of certain parameters by the sub-contractors.

In terms of the prescribed new environmental norms notified as per Environment (Protection) Amendment Rules, 2015, GWEL is required to install the Flue Gas Desulphurization Systems (FGD) to control emission from the power plant by 2022.

Refer note 32 (I) for commitments related to lease arrangements.

Refer note 36 for commitments related to Corporate Social Responsibility expenses.

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33. Provisions

Particulars	Provision for rebates	Provision for asset retirement obligations / decommissioning liability	Total
As at April 01, 2018	2.11	48.65	50.76
Provision made during the year	197.51	-	197.51
Provision utilised/reversed during the year	(196.81)	-	-196.81
Notional interest on account of unwinding of financial liabilities	-	3.80	3.80
As at March 31, 2019	2.81	52.45	55.26
Provision made during the year	248.47	-	248.47
Provision utilised/reversed during the year	(241.61)	-	-241.61
Notional interest on account of unwinding of financial liabilities	-	4.11	4.11
As at March 31, 2020	6.86	56.56	63.42
Balances as at March 31, 2019			
Current	2.81	-	2.81
Non-current	-	52.45	52.45
Balances as at March 31, 2020			
Current	6.86	-	6.86
Non-current	-	56.56	56.56

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34. Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.3 (b) and 2.3 (o), to the financial statements.

(a) Financial assets and liabilities

The management assessed that cash and bank balances, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Non-current financial assets and liabilities are discounted using an appropriate discounting rate where the time value of money is material. There are no financial instruments which are measured at fair value through statement of profit and loss or fair value through Other Comprehensive Income as at 31 March 2020 and 31 March 2019.

(b) Fair value hierarchy

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
March 31, 2020				
Non-current financial liabilities				
Borrowings	26,103.48	-	26,103.48	-
Current financial liabilities				
Borrowings	5,448.35	-	5,448.35	-
March 31, 2019				
Non-current financial liabilities				
Borrowings	27,266.14	-	27,266.14	-
Current financial liabilities				
Borrowings	6,185.45	-	6,185.45	-

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

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

(iii) Apart from the above table, there are no Level 1 and Level 2 items. There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2020 and March 31, 2019.

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(c) Financial risk management objectives and policies

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

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

i) Financial risk

The Company's principal financial liabilities comprise loans and borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations towards operations and capital expenditure. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents are derived from its operations.

The general risk management program of the Company focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

ii) Market risk

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

The commodity exposure is mainly on account of fuel, a substantial part of which is a pass through cost and hence the commodity price exposure is not likely to have a material financial impact on the Company.

(a) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. Thus profits and cash flows from financing activities are dependent on market interest rates. Further, any decline in the credit rating of the Company will have an adverse impact on the interest rates.

The interest rate profile of the Company's interest-bearing financial instruments as reported by the management of the Company is as follows:

Particulars	March 31, 2020	March 31, 2019
Fixed rate instruments:		
Financial liabilities	442.22	648.25
Variable rate instruments:		
Financial liabilities	31,109.61	32,803.34

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(Rs. in million)	
	Increase in basis points	Effect on profit before tax
March 31, 2020		
INR	+50	(155.55)
	-50	155.55
March 31, 2019		
INR	+50	(164.02)
	-50	164.02

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

(b) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's investing and financing activities. The Company's exposure to foreign currency changes from operating activities is not material.

The following table shows foreign currency exposure as at the end of reporting period.

Particulars	Currency	Amount in foreign currency (million)	Amount in Rs. (million)
Trade Payables	USD	0.07 (1.44)	5.20 (99.44)
Other financial liabilities ²	USD	5.75 (6.22)	435.23 (430.22)

Notes:

1. Previous year's figures are shown in brackets above.



Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	(Rs. in million)	
	Change in USD rate	Effect on profit before tax*
March 31, 2020	5%	22.02
March 31, 2019	5%	26.48

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at March 31, 2020 and March 31, 2019. The period end balances are not necessarily representative of the average debt outstanding during the period.

* As detailed in note 3, the Company has exercised the option of recognizing the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets and accordingly some part of these foreign exchange cost would be capitalised as a part of PPE and depreciated over the life of the asset.

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans, cash and cash equivalents and other financial assets of the Company.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. 5,923.37 million and Rs. 7,320.83 million as at March 31, 2020 and March 31, 2019 respectively, being the total carrying value of loans, trade receivables, cash and cash equivalent and other financial assets.

Credit concentration:

As at March 31, 2020, 100% of trade receivables pertain to sales to State Distribution Companies under Long Term Power Purchase Agreement ("PPA") for sale of electrical energy directly or indirectly through a related party.

Expected Credit Loss (ECL)

The Company is having majority of receivables against sale of electrical energy to State Electricity Distribution Companies which are Government undertakings.

The Company is regularly receiving its normal power sale dues from Discoms and in case of any disagreement / amount under dispute; the same is recognised as per the binding regulatory orders which carries interest as per the terms of PPAs. Hence they are secured from credit losses in the future.

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

iii) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through non-convertible debentures and other debt instruments. The Company invests its surplus funds in bank fixed deposit, which carry no or low market risk.

The Company monitors its risk of shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, support from the parent Company etc.

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The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

Particulars	(Rs. in million)			
	0-1 years	1 to 5 years	> 5 years	Total
March 31, 2020				
Borrowings ²	5,450.72	8,379.90	17,823.63	31,654.25
Other financial liabilities ¹	1,136.61	-	-	1,136.61
Lease Liabilities (Refer note 32)	19.08	66.01	-	85.09
Trade payables	1,748.15	-	-	1,748.15
	8,354.56	8,445.91	17,823.63	34,624.10
March 31, 2019				
Borrowings ²	6,188.37	8,437.40	18,943.78	33,569.55
Other financial liabilities ¹	1,230.94	-	-	1,230.94
Trade payables	2,377.65	-	-	2,377.65
	9,796.96	8,437.40	18,943.78	37,178.14

Notes:

1. The above excludes interest and other finance charges to be paid on the borrowings and other financial liabilities, by the Company.

2. Reconciliation with carrying amounts:

Total Amount repayable as per repayment terms

Less: Impact of recognition of borrowing at amortised cost using effective interest method

Net Carrying Value

	As at March 31, 2020	As at March 31, 2019
	31,654.25	33,569.55
	(102.42)	(117.97)
	31,551.83	33,451.59

3. Also refer note 1.1 on going concern

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35. Capital management

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

The Company determines the amount of capital required on the basis of annual business plan and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings and issue of non-convertible debt securities and support from the parent Company.

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with (refer note 2.1).

Particulars	(Rs. in million)	
	March 31, 2020	March 31, 2019
Borrowings (refer note 15)	31,551.83	33,451.59
Less: Cash and cash equivalents (refer note 12)	40.56	81.31
Total debts (A)	31,511.27	33,370.28
Capital components		
Equity share capital	8,700.00	8,700.00
Other equity	(4,290.11)	(2,151.22)
Total Capital (B)	4,409.89	6,548.78
Capital and borrowings C= (A+B)	35,921.16	39,919.06
Gearing ratio (%) D= (A/C)	87.72%	83.59%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

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36. Corporate Social Responsibility

	(Rs. in million)		
	March 31, 2020	March 31, 2019	
(a) Gross amount required to be spent by the Company during the year		28.52	11.17
(b) Amount spent during the year ending on March 31, 2020:	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	12.91	10.38	23.29
(c) Amount spent during the year ending on March 31, 2019:	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	11.81	5.96	17.77

37 The Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the IT Act ('regulations') to determine whether the transactions entered during the year ended March 31, 2020, with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

38 Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the financial statements have been rounded off or truncated as deemed appropriate by the management of the Company.

39 Segment Information:

The Company's activities during the year mainly revolve around power generation and related activities. Considering the nature of Company's business and operations, as well as based on reviews of operating results by the chief operating decision maker to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS 108 "Operating Segments" prescribed under Companies (Indian Accounting standards) Rules, 2015. The Company's operations are mainly confined within India and as such there are no reportable geographical segments.

40 The spread of COVID-19 has severely impacted businesses operations around the globe including India. The Company is in the business of generation of electricity which is an essential service as emphasized by the Ministry of Power, Government of India. Hence, the Company has ensured continuity in power supply during the period of lockdown. However, considering the lockdown and uncertain economic environment, the demand for power is expected to be lower in the recent future and accordingly, the Company may have to operate power plants at lower load factor. The Company has also received notices of force majeure from one of its customer disputing payment of capacity charges during the period of lock down. The Company has responded and clarified that the said situation is not covered under force majeure clause in view of the clarification by the Ministry of Power stating that Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. Further, the Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks and financial institution till August 2020. This will mitigate the stress on cash flows during the period of COVID-19. Basis above, the management has estimated its future cash flows for the Company which indicates no major change in the financial performance as estimated prior to COVID-19. The Company will continue to closely monitor these aspects and take actions as are appropriate based on future economic conditions.

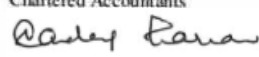
41 As at March 31, 2020 the amount payable in foreign currency to certain vendors of USD 5.75 million is outstanding for more than 3 years. The Company is in the process of filling necessary documents with the Reserve Bank of India and is confident that such delays will not require any adjustments to the Ind AS financial statements.

42 The audit of financial results of the Company for the previous year was carried out by a firm of Chartered Accountants other than S.R. Batliboi and Associates LLP.

43 Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to the current year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
 ICAI firm registration number: 101049W / E300004
 Chartered Accountants



 per Sandeep Karnani
 Partner
 Membership number: 061207



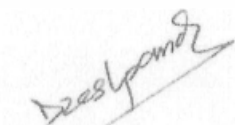
Place: Bengaluru
 Date: May 29, 2020


For and on behalf of the Board of Directors of
 GMR Warora Energy Limited


 Srinivas Bommidala
 Managing Director
 DIN: 00061464


 Ashish Deshpande
 Chief Financial Officer

Place: New Delhi
 Date: May 29, 2020


 Dhanajay Deshpande
 Whole-time Director
 DIN: 07663196


 Sanjay Kumar Babu
 Company Secretary
 Membership Number: F-8649