Sterlite Power

Empowering Humanity

Sterlite Power Transmission Limited

ANNUAL REPORT 2021-22

Inside this Report

EXCHANGE RATE

(As on July, 2022)
US$ 1= ₹79.64
R$ 1 = ₹14.81

CAUTIONARY STATEMENT

Certain statements in this Annual Report relating to the Company's growth prospects are forward looking in nature, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

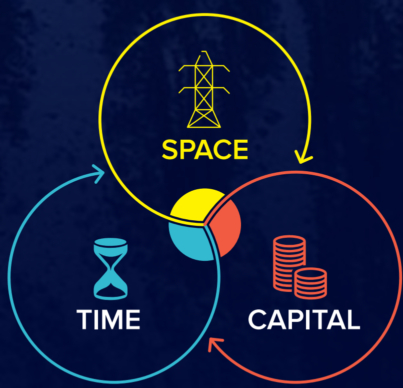
Empowering Humanity by Addressing the Toughest Challenges of Energy Delivery

The world is in the midst of a massive energy transition. Decarbonisation is a global imperative. In many countries, infrastructure readiness pales in comparison to the pace of energy transition, posing a huge constraint of time. Further, the unavailability of adequate space, given the rate of urbanisation, casts a long shadow on the ambitious plans. The third and final piece of the puzzle is the scale of capital investment that is required to transform the existing transmission and distribution infrastructure, to cater to this transition. At Sterlite Power, we have been focusing on solving these complex challenges at the intersection of time, space, and capital.

Our performance in the year is but one of the many testimonies to our endeavour. While the sections of this Annual Report will further elaborate on each of these aspects, it is important to reiterate that ‘Empowering Humanity by Addressing the Toughest Challenges of Energy Delivery’ remains our True North, guiding us in the choices we make as businesses and individuals.

We strongly believe that building a more sustainable world is a real driver of innovation, a lever for growth and the true hallmark of success. We want what we do to be meaningful and through our out-of-the-box innovation and thought leadership, we aim to bring energy and efficiency to enable life, progress, and sustainability for all.

We believe, that solving the challenges at the intersection of time, space, and capital in the power sector, will enable rapid transmission, leading to energy transition.

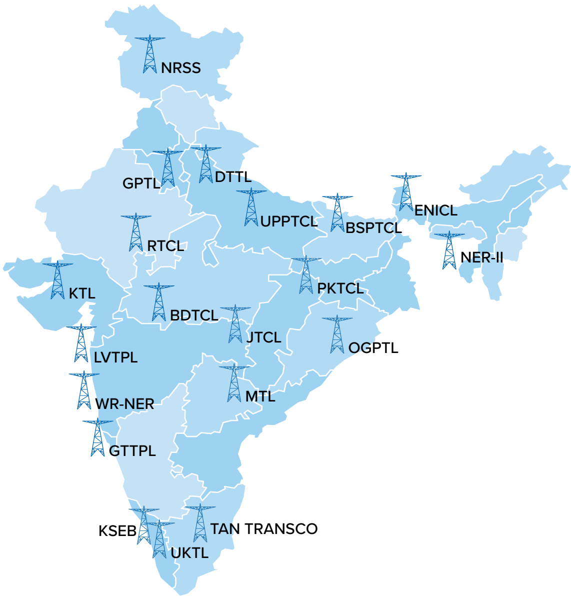


Sterlite Power at a Glance

Sterlite Power Transmission Limited (Sterlite Power) is a leading global developer of power transmission infrastructure with projects of ~13,700 circuit km (ckm) and 26,100 mega-volt ampere (MVA) in India and Brazil. With an industry-leading portfolio of power conductors, extra-high voltage (EHV) cables and optical ground wire (OPGW), Sterlite Power offers solutions for upgrading, uprating and strengthening existing networks, and is the leading manufacturer of bare overhead conductors, exporting to over 60 countries. The Company has set new benchmarks in the industry with the use of cutting-edge technologies and innovative financing.
Sterlite Power is also the sponsor of IndiGrid, India's first power sector Infrastructure Investment Trust (InvIT), listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Sterlite Power has been recognised with prestigious global awards from S&P Global Platts and International Project Management Association (IPMA).

Asset Portfolio across India and Brazil

CAPEX: ₹36,022* crores (US$ 4.88 billion)



This map is a graphical representation designed for general reference purposes only

Business divisions

Each of our businesses serves our core purpose of ‘empowering humanity by addressing the toughest challenges of energy delivery’.

Global Infrastructure
We bid, design, construct, own and operate power transmission assets across multiple geographies.

Read more on **Page 12**

MSI and Products Business
We specialise in upgrading, uprating and strengthening existing power delivery networks.

Read more on **Page 18**

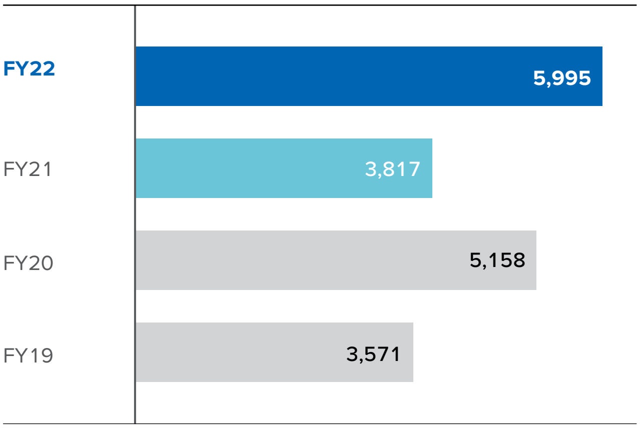
Convergence
We aim to create a pan-India, efficient optical ground wire network to deliver high-speed data that runs over existing power transmission lines.

Read more on **Page 23**

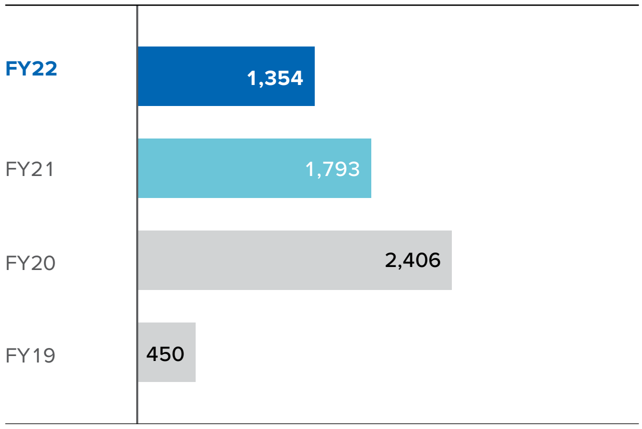
** Includes assets developed or under development*

Key Performance Indicators

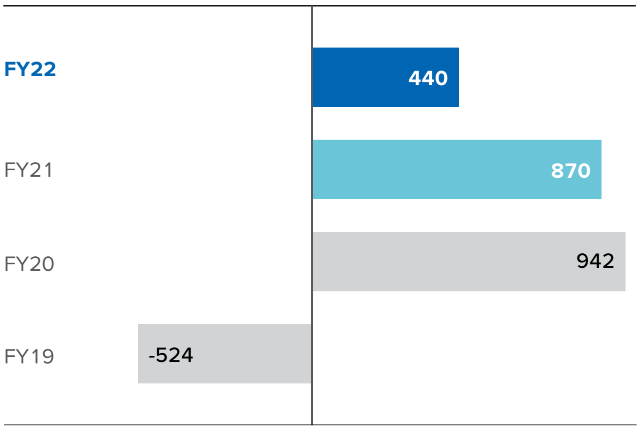
TOTAL INCOME (₹ in crores)



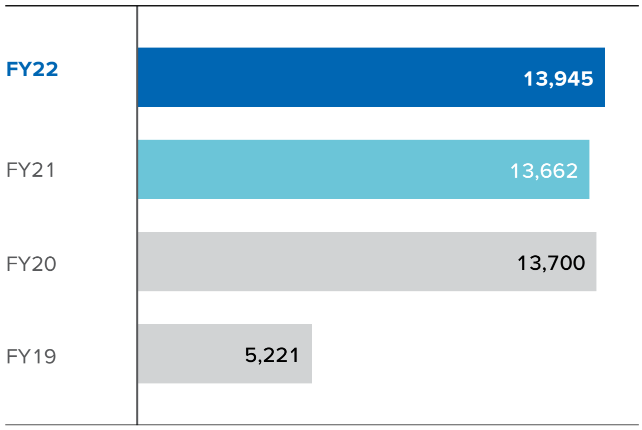
EBIDTA (₹ in crores)



PAT (₹ in crores)



CIRCUIT KM (Cumulative)



** Including projects commissioned, under-construction and transferred to IndiGrid*

Key Milestones

SOWING SEEDS
2006-2009

- Power business acquired from Sterlite Industries Ltd.
- Sterlite Technologies Ltd. (STL) forays into power transmission
- Expanded power conductor manufacturing capacity

STRENGTHENING ROOTS
2010-2013

- Sterlite Power (as a division of STL) awarded India's first independent Power Transmission Project under Tariff-Based Competitive Bidding (TBCB)
- Set up power cable manufacturing facility in Haridwar, Uttarakhand
- Awarded India's first 765 kV private project – Bhopal Dhule Transmission Ltd. (BDTCL)
- Established Master System Integrator (MSI) service line, in Gujarat energy transmission corporation limited (GETCO), West Bengal power grid corporation of India Limited, Telangana Transmission Corporation of Telangana Limited (TSTRANSCO) and UP Uttar Pradesh Power Transmission Corporation Limited (UPPTCL)
- Awarded RAPP Transmission Company Ltd. (RTCL) project with 403 ckm in Madhya Pradesh and Rajasthan and Purulia and Kharagpur Transmission Company Limited (PKTCL) with 545 ckm in Jharkhand and West Bengal

NURTURING GROWTH
2014-2015

- Standard Chartered Private Equity infused an investment of ₹500 crores (US$ 67.8 million)
- First inter-state project commissioned, East-North Interconnection Company Limited (ENICL) in Assam-West Bengal-Bihar
- Awarded Northern Region Strengthening Scheme - 29 (NRSS-29), a project in the challenging terrain of Jammu & Kashmir (J&K) with route length of 887 ckm
- Commissioned second project Bhopal Dhule Transmission Company Limited in Bhopal-Dhule
- Awarded Maheshwaram Transmission Company Limited project in Telangana, taking total project count to seven
- First private transmission developer to win an award from the Ministry of Power for early commissioning of 765/400 kV Dhule substation

SPREADING BRANCHES

2016-2017

- First developer to commission a TBCB project, RTCL ahead of schedule
- Commissioned the Jalandhar-Samba line – a key section of NRSS-29, the transmission corridor in Northern India, 12 months ahead of schedule
- Raised India's first AAA (SO) rated infrastructure bonds without Government guarantee for transmission projects
- Invested in Finland-based Sharper Shape for UAV-based technology
- Deployed helicranes to set up a power transmission line in the mountainous terrain of J&K in partnership with Erickson Inc.
- Demerged from STL
- Delivered India's first Smart Line (a combination of high-performance conductors, optical ground wire and communication lines)
- Won two projects in Brazil, becoming the first Indian transmission infrastructure developer to enter the global market IndiGrid listed on Indian stock exchanges; Sterlite Power transferred two projects to IndiGrid won Novo Estado, the largest project in Brazil Transmission Auction, increasing the total Latin American transmission portfolio to US$1 billion
- Awarded the largest uprate and upgrade project in India
- First customer onboarded on Sterlite's MTCIL fibre network

EXPANDING WITH CONFIDENCE

2018-2019

- Acquired 28.4% stake in transmission infrastructure business from Standard Chartered Private Equity for ₹1,010 crores (US$137 million)
- Accreditation for OPGW facility 17025:2005- from National Accreditation Board for Testing and Calibration Laboratories (NABL)
- Won the largest global order of ~₹300 crores (US$40.7 million) from GS S Korea for supply of High-Performance Conductor (ACCC)
- Won six new transmission projects in Brazil to take the total capex to US$2 billion
- Commissioned NRSS-29 ahead of schedule; the project was dedicated to the people of J&K by Prime Minister Shri Narendra Modi
- Successfully heralded 'Zero Shutdown' capability in India, with the reconductoring of a 66 kV transmission line in 'live-line conditions' in Bengaluru
- Agreement with IndiGrid for sale of five transmission asset from Sterlite Power worth ₹11,500 crores (US$1.6 billion)
- Bagged first underground MSI project with Geographic Information System (GIS) substation
- Completed OGPTL project 10 months ahead of schedule
- Won Pampa project, another prestigious transmission project in Brazil; taking Brazil project count to 10
- Successfully commissioned Arcoverde – the first project in Brazil, 28 months ahead of schedule
- Convergence business entered a Public Private Partnership (PPP) with Gurugram Smart City to build an intra city fibre network
- NRSS-29 chosen as Gold Winner in the IPMA Global Project Excellence Award 2019 for the mega-sized projects category
- NRSS-29 awarded Construction Project of the Year at the S&P Global Platts Energy Awards 2019

CONTINUING WITH RESILIENCE

2020-2021

- Addition of three Inter-State Transmission System (ISTS) projects worth ₹ ~3,600 crores, (US$488 million) Western Region Strengthening Scheme - XIX (WRSS-XIX), North Eastern Region Strengthening Scheme - IX (NERSS-IX) and Western Region Strengthening Scheme - XXI (WRSS-XXI) to our portfolio
- Achieved 3 million safe person hours (April 2019 to March 2020) at MSI projects with zero harm
- Pioneers in Live-Line Reconductoring Technology in India and Robotic technology for OPGW stringing through SkyRob™
- Transforming long-span river-crossings with Aluminum Conductor Composite Core – Ultra Low Sag (ACCC ULS) Ganga innovation and design
- Successfully charged our first project in Brazil - Arcoverde, 28 months ahead of schedule
- Successfully launched a Helicopter LIDAR survey on the Raigarh-Tamnar line of GTTPL project
- Awarded with 'Safety in Electricity' in Gold category at the Protection Brazil Awards 2019 for the use of drones and other technologies in crossing energised transmission lines
- Declared 'Gold winner' in the Earth & Environment Foundation (EEF) Global Sustainability Award 2021 for outstanding achievements in sustainability management
- Concluded sale of three Brazilian assets: Arcoverde, Novo Estado and Pampa
- Successfully executed and sold 3 projects – ENICL, GPTL, and NER-II, amidst COVID-19
- Won IPMA Project Excellence Awards 2021 for NER project
- Declared winner of the Asian Power Awards 2021 in the CSR Initiative of the Year category for Sterlite EdIndia Campaign
- Certified as Great Place to Work in 2021

Board of Directors

MR. PRAVIN AGARWAL
Chairman

Pravin Agarwal is the Chairman and Non-executive Director of our Company. He holds a Bachelor's degree in commerce from Patna University. He has been associated with the Sterlite Power Group since its inception and has significant experience in general management and commercial affairs. Previously, he has held directorship positions in Sterlite Technologies Limited, East-North Interconnection Company Limited and Speed on Network Limited and has an overall experience of 24 years as a Director in overseeing and handling management of companies. He has been a Director on our Board since May 5, 2015.

MR. PRATIK AGARWAL
Managing Director

Pratik Agarwal is the Managing Director of our Company. He holds a Master's degree in business administration from the London Business School, University of London and a Bachelor's of science degree in economics from the University of Pennsylvania. He has an overall experience of 10 years as a Director in overseeing and handling management of companies. Previously, he has held directorship positions in Sterlite Technologies Limited, Sterlite Ports Limited, Vizag General Cargo Berth Limited, and Speed on Network Limited. In 2018, he was awarded the Economic Times 40 under 40 award. He is a member of the National Committee on Power constituted by the Confederation of Indian Industries (the "CII") for Fiscal 2021, the co-chairman of the Infrastructure and Real Estate Committee constituted by the IMC Chamber of Commerce and Industry, and the president of Electric Power Transmission Association (EPTA) of India. He was also the Chairman of the Core Group on Transmission constituted by the CII for Fiscal 2019 and a part of the Task Force on Power Transmission constituted by the Federation of Indian Chambers of Commerce and Industry (the "FICCI") in 2013. He has been a Director on our Board since June 1, 2016.

MR. A. R. NARAYANASWAMY
Non-Executive and Independent Director

Alampallam Ramakrishnan Narayanaswamy is an Independent Director of our Company. He holds a Bachelor's degree in commerce from the University of Mumbai and is also a fellow member of the Institute of Chartered Accountants of India. He has an overall experience of 26 years as a Director in overseeing and handling management of companies. Previously, he has held directorship positions in Hindustan Zinc Limited, Sterlite Technologies Limited, MALCO Energy Limited and IBIS Logistics Private Limited. He has been a Director on our Board since July 22, 2019.

MR. ANOOP SETH
Independent Director

Anoop Seth is an MMS from BITS Pilani with a major in Finance and Executive International Management Programme from INSEAD, France. Mr. Seth, has an illustrious career spanning thirty-five years, in financial services and several infrastructure sectors. He has held leadership positions in companies such as AMP Capital, Bank of America, Bechtel Corp, IDFC, Reliance Industries, Standard Chartered Bank, and IL&FS Energy. With an extensive experience, he advices the Board and leadership team on matters related to strategy and growth.

MR. MANISH AGRAWAL
Whole Time Director (Additional Director) & CEO India Transmission Business

Manish Agrawal is a Whole Time Director (Additional Director) of our Company. He holds a Bachelor's degree in computer technology engineering from the Nagpur University and a Master of business degree from the Federation University, Australia. He has also completed the senior executive leadership program from Harvard Business School. He is a member of the Confederation of Indian Industry's (CII) Power Committee, the chairman of the Special Task Force on Transmission constituted by the Associated Chambers of Commerce and Industry of India (ASSOCHAM), Vice President of CIGRE (International Council on Large Electric Systems) India's governing body and a member of the Power Committee constituted by the FICCI. He is also a part of the National Executive Council of Indian Electrical & Electronics Manufacturer's Association for the Fiscal 2022. He currently holds directorship positions in various Subsidiaries and Group Companies. He has been associated with the Sterlite Group since March 15, 1999 and has been a Director on our Board since December 17, 2021.

MS. KAMALJEET KAUR
Whole Time Director (Additional Director) & Group CHRO

Ms. Kamaljeet Kaur is a seasoned Human Resource professional with a total experience of around two decades. She graduated in economics from Delhi University and holds a PGDM in Human Resource Management from Symbiosis Centre for Management & HRD. Ms. Kamal possesses a rich blend of experience in the areas of Leadership Hiring & Succession Planning, Talent & Change Management, Organization Development, HR Business Partnering, Digital HR, managing large-scale interventions, etc. She has diverse experience of working in large Indian Set ups and MNCs. Prior to Sterlite Power, she has worked in industries such as manufacturing, banking, and food retail. She is a certified life coach, and an expert on application of various psychometrics at work. She has been associated with Sterlite Power since 2017 and has been a Director on our Board since June 29, 2022.

Management Team

MR. PRATIK AGARWAL
Managing Director

MR. MANISH AGRAWAL
Director & CEO India Transmission Business

MR. SANJEEV BHATIA
Group Chief Financial Officer

MR. ARUN SHARMA
Chief Projects Officer Infra & Solution Business

MR. AKSHAY HIRANANDANI
Executive Director – Corporate Finance

MS. KAMALJEET KAUR
Director & Group Chief Human Resource Officer

MR. AMITABH PRASAD
Country Manager, Brazil

MS. NEETI WAHI
Group Chief Information Officer

MR. ASHOK GANESAN
Company Secretary of Our Company

Awards and Accolades

Pratik Agarwal awarded the CEO of the Year (non-renewables) in the ET Energy Leadership Awards 2022

BrandMasters ECHO Awards 2022 for Power for Goa 360° Marketing Campaign

World Manufacturing Congress Award for "Best innovative Product of the Year"2022

Aegis Graham Bell Award – in the category of"innovation in Telecom Infra" for its game changing innovation in building edge computing Containerized Data Centre (CDC) 2022

SKOCH Award – Gold award in Digital Technologies category for Enabling best-in-Class Data Connectivity for Economic Growth 2021

IDC Innovation Awards 2021 for Data Intelligence

Energy & Environment Foundation Global Sustainability Award 2021 – Gold Award

Asian Power Awards 2021 – in the category of "CSR Initiative of the Year" for Sterlite EdIndia Foundation

Business World CFO & Strategy Award 2021 in the category Healthy Balance Sheet of the Year

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Bronze Winner in the IPMA project Excellence Award 2021 for the mega-sized project category

'Innovative/Product Services Awards' at the Golden Peacock Awards 2021

'HR Excellence Awards' at the Golden Peacock Awards 2020

9001:2015

Quality Management System

14001:2015

Environmental Management System

45001:2018

Occupational Health & Safety Management System

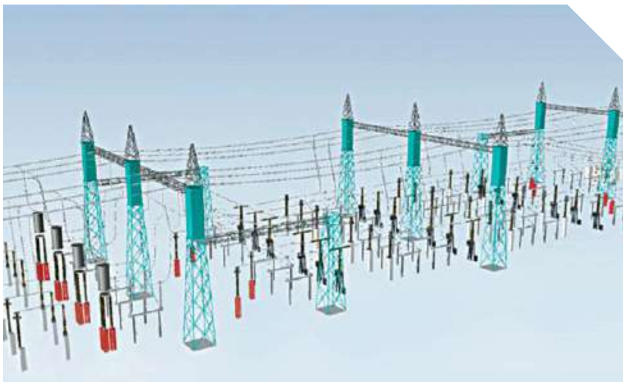
Technology Leadership

AN EVOLVING WORLD NEEDS REVOLUTIONARY SOLUTIONS

Sterlite Power has led the way in adopting state-of-the-art global best practices in a 'legacy-driven' power transmission sector. We are actively pursuing innovation opportunities with universities, start-ups, and third parties.

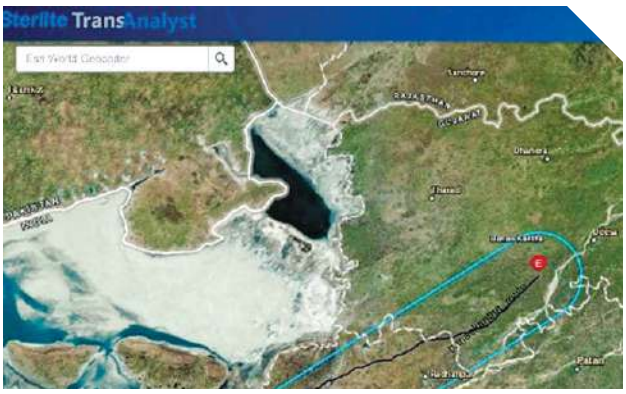
AERIAL TECHNOLOGY FOR ACCELERATED PROJECT EXECUTION

- Planning and automated inspection services by unmanned aerial vehicles (UAVs)
- First use of helicopter stringing in India
- Heli-crane based tower erections in tough terrains
- Investor in global tech start-up SharperShape www.sharpershape.com



DIGITALISATION OPERATIONAL EFFICIENCY

- Digital prototypes for higher design quality
- Quality health safety environment (QHSE) effectiveness through e-audits and remote inspections
- SPEX and 5D BIM for project excellence



BIG DATA ALGORITHMS/PREDICTIVE SIMULATIONS

- Route planning, elevation models and resource optimisation using an in-house smart algorithm platform TransAnalyst
- Improving predictability of soil characteristics through data analytics for foundation design (Subsurface Terrain Model or STeM)
- Pan-India power system studies
- Tower test simulations for design validation

ROBOTICS FOR SAFE STRINGING AND TECHNOLOGY INTENSIVE PRODUCTS

- Skyrob™ – safe and efficient optical ground wire stringing through robotics
- Largest manufacturer of high-performance conductors in India
- Low-loss high-ampacity cable, fibre integrated power cable
- Largest OPGW player in India
- SmartValve™ – modular power flow control solutions

SMART PROJECTS FOR MODERN GRID

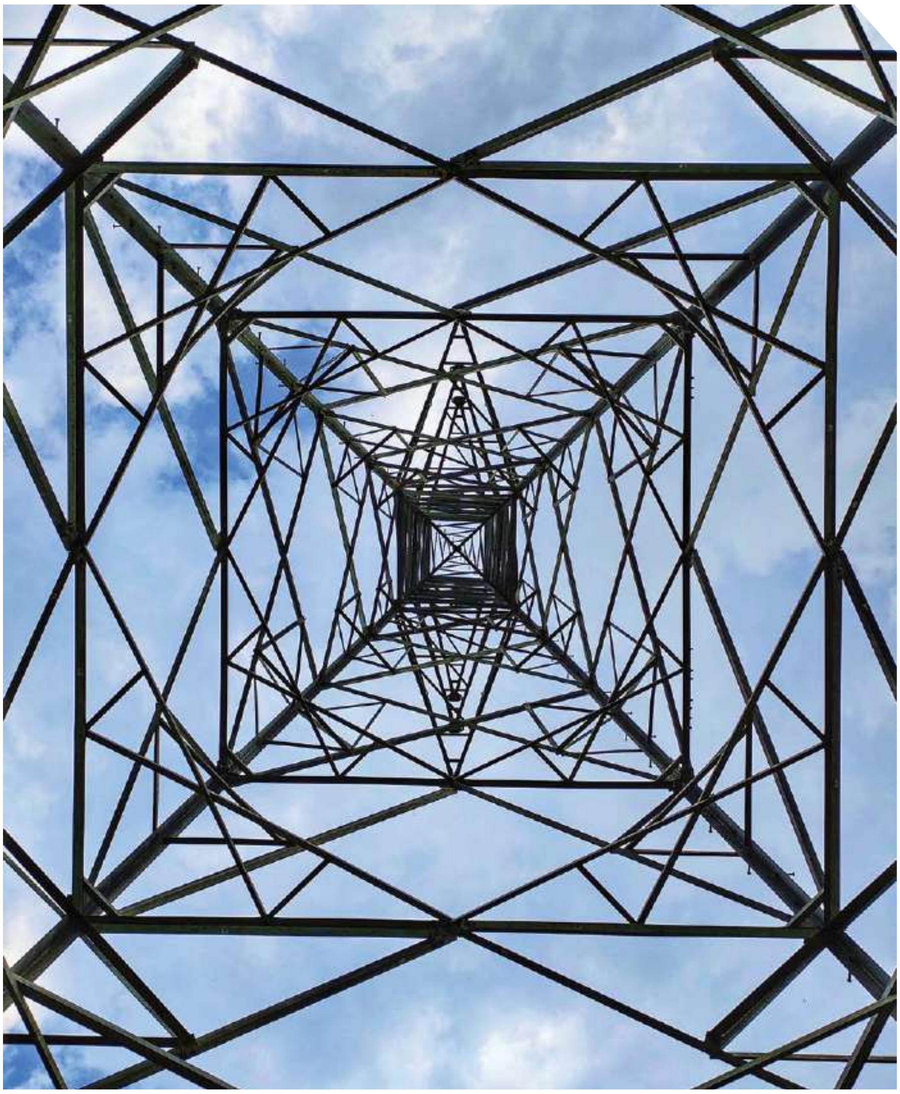
- India's first vertical GIS Substation with smaller footprint leading to reduced CO_2 emissions
- Re-conductoring of 66 kV transmission line in 'Live-Line Condition' to achieve a 2x increase in power transfer capacity in Electronic City, Bengaluru

TECHNOLOGY FOR GREENER ECOSYSTEM

- Translocating bigger and mature living trees
- Green co-location from Convergence

Business Overview

Global Infrastructure



We believe that access to electricity transforms societies and delivers long-lasting social impact. This belief has shaped our journey right from inception, and today we are a leading global developer of Power Transmission infrastructure, with growing operations in India and Brazil. Sterlite Power bids, designs, constructs, owns and operates Power Transmission assets across multiple geographies. We are operational in India and Brazil with a portfolio of 28 projects* now, spanning close to 13,700 ckm of transmission lines.

Our core purpose and values continue to drive us in our mission of bringing reliable power to people with no or limited access to electricity. To that end, we are solving the challenges which are at the intersection of time, space, and capital.

STRIDING FORWARD IN PANDEMIC TIMES

The year 2020 saw an outbreak and spread of the COVID-19 pandemic, which was an unprecedented time for society and the economy at large, as well as the infrastructure sector. The Power Transmission segment was no different, and our teams faced multiple operational and logistical challenges on ground. Despite a negative outlook and a weak market, we successfully executed one of the toughest and challenging projects – North East Region System Strengthening Scheme-II (NERSS) project or NER-II.

This mega project is delivering more than 3000 MW power to the north east region of India. Besides strengthening the grid, this project is playing an important role in enabling access to reliable power for 5.3 crore people in the region. This inter-state transmission system project spanning across Assam, Arunachal Pradesh and Tripura, is made up of 11 elements including two substations of 1,260 MVA capacity and four transmission lines extending over ~830 circuit kilometers.

The project is also a carrier of clean energy as it connects various hydro and gas-based sources of power to the national grid. With gas acting as a natural balancer for renewables, the evacuation of gas power through 400 kV/132 kV substation at PK Bari in Tripura and its associated interconnections will play a vital role in reducing the intermittency of renewables.

True to its innovative spirit, and to speed up project construction, we implemented an extensive aerial operation by deploying lightweight helicopters to transport ~6800 MT of material across the states of Assam and Arunachal Pradesh. With this innovative intervention, manual head loading methods were mechanised, making movement of construction material safer, quicker, and more efficient. The usage of aerial technology also eliminated involvement of mules and ensured minimal manpower involvement.

During the project execution phase, we engaged with various communities across 200 villages, including autonomous tribes, for an inclusive approach towards development. We also provided employment to over 10,000 skilled and unskilled people during the construction phase. We made concerted efforts to provide essential health items to vulnerable communities around the project sites during the COVID-19 imposed national lockdown. Apart from providing relief items, multiple livelihood training and skilling programmes were also carried out for the underprivileged communities.

In addition to bringing reliable power to the region, this project has been a true harbinger of sustainable development. Apart from enhancing the reliability and availability of power supply, NER-II has the potential to boost the per capita electricity consumption in the North East region from 402 units (kwh) at present to national average of 1,208 units (kwh).

In addition to successfully completing the project, we were successful in completing the sale of NER-II to Indigrid at an enterprise value of ₹4,625 crores, in our largest asset sale flip till date.

On technology front, besides aviation, we also developed differentiation for river crossing solutions through product and process innovation, as exemplified by project Ganga, where we designed and deployed ACCC Ganga Ultra low sag conductor with no support structure in the middle of the river. After the successful deployment of the solution in ENICL project, we are now implementing the river crossing solution across river Narmada for a state utility in India.

ACCOLADES AND ACHIEVEMENTS:

This year was also special for us as we won prestigious global and national accolades for our superlative work. We won two awards at IPMA Global Project Excellence Awards 2020 ceremony - Gold award for Project Ganga project in the small category and Bronze award for developing India's first vertical substation as part of our GPTL project.

We follow industry recognised QHSE standards to deliver a high-quality asset in accordance with a stringent safety framework. Safety of our people is non-negotiable and it is our constant endeavour to ensure all stakeholders adopt the agreed EHS requirements to protect people, plant & equipment, and minimise impact on the environment. Our EHS commitment has been duly recognised with the Golden Peacock Occupational Health and Safety award in 2020.

We also won twin awards at The Asset Triple Asia Infrastructure Awards – for Utility M&A Deal of the year for attracting KKR and GIC to IndiGrid, and Utility Deal of the year for debt financing deal of NER-II project.

Our Innovation spirit was also recognised by the industry at the ET Innovation Awards (for Skyrob™) and Bentley Infrastructure award for technological innovation in (Building Information Modelling for substation designing).

Operating Model

Bid

- Rich track record of winning lucrative inter-state transmission projects – robust pipeline in place
- 17 projects in India, won through Tariff Based Competitive Bidding (TBCB)
- Strong regulatory regime in India enables fully contracted long-term cash flows, low counter-party risk

Award

- Government tenders
- Credit-worthy counterparty ensuring bankability
- Annuity period of 25-35 years

Develop

- Deep innovation and execution skills that help complete projects within planned costs – often commissioning ahead of schedule
- Adherence to highest standards of safety and quality
- Collaboration with partners who are leaders in their respective fields

Build

- Sub-contract to EPC partners
- Back-to-back guarantees

- Strong operations & maintenance team that manages the assets post commissioning
- Pursuit of optimal refinance opportunities
- Sponsor of India's first Infrastructure Investment Trust (InvIT) in Power sector – IndiGrid, which has proven to be a successful way of raising capital by transferring mature, fully operational assets to the Trust and redeploying the capital gained for developing new assets

Asset-flip

- Flip assets to InvITs
- Recycled equity for new projects

Portfolio at a Glance

30 Power Transmission Projects
won under Public-Private-Partnerships (PPP); 17 in India under TBCB and 13 in Brazil

~26,100 MVA
of Transformation Capacity

~13,976 ckm
of Power Transmission lines commissioned or under construction

16 Operational Assets
won under PPP

21 Sub-stations

31.5% Market Share,
by tariff of inter-state projects awarded under competitive bidding in India

₹40,778 crores of Capital Expenditure
(US$ ~6 billion planned and incurred)

68 EHV Transmission Lines

99.78% Availability
achieved across our commissioned assets in Q4FY22

INDIA

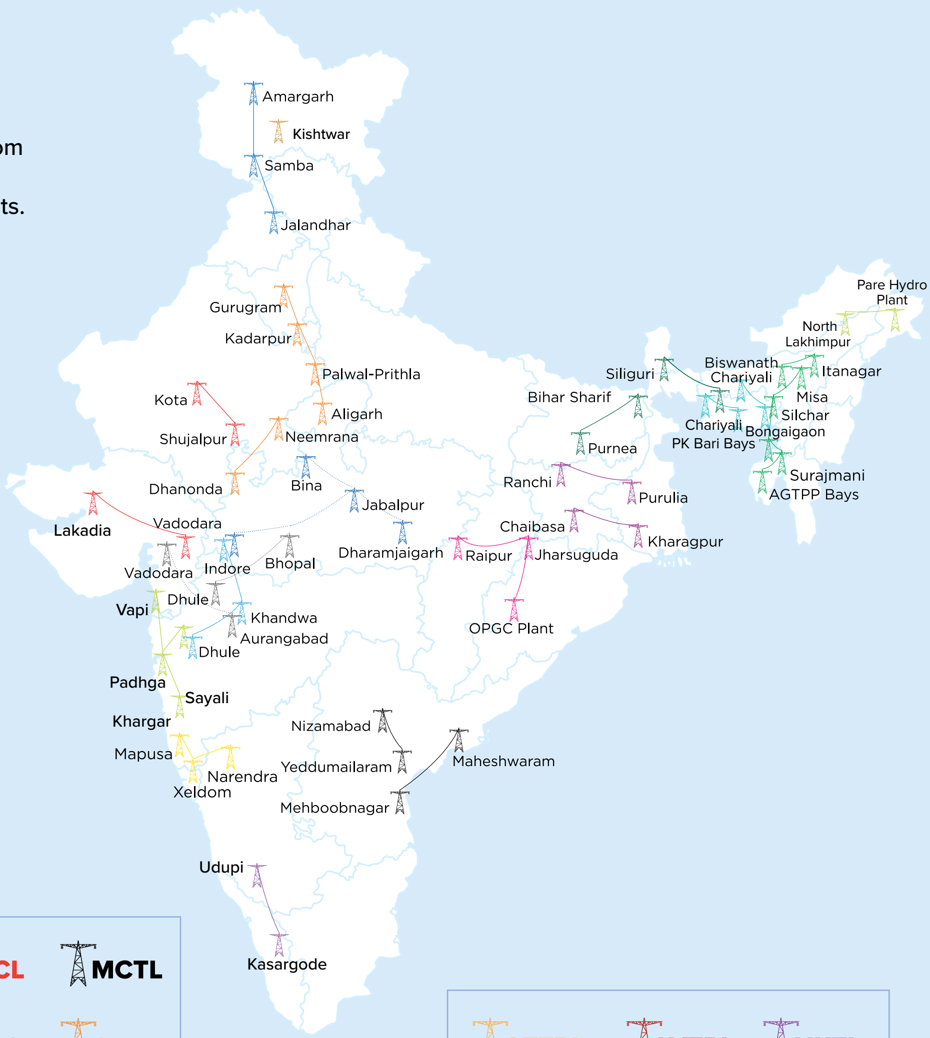
Our assets are located in strategically important areas from the perspective of transmission connectivity, transferring power from generating centres to load centres to meet inter-regional power deficits. We now have a total portfolio of **17* transmission projects** in India, spanning more than **9,529 ckm**, through a total capex of **₹25,262 crores (US$3.60 billion)**.

Footprint in India

5,297 km
ROUTE LENGTH

9,529 ckm
LENGTH

₹25,262 crores (US$3.17 billion)
PROJECT CAPEX



JTCL BDTCL RTCL MCTL
PKTCL NRSS ENICL GPTL
OGPTL KTL NER-II

(Assets Managed by IIML)

GTTPL LVTPL UKTL
MUML NBTL KTPL

(Assets Under Execution)

This map is a graphical representation designed for general reference purposes only

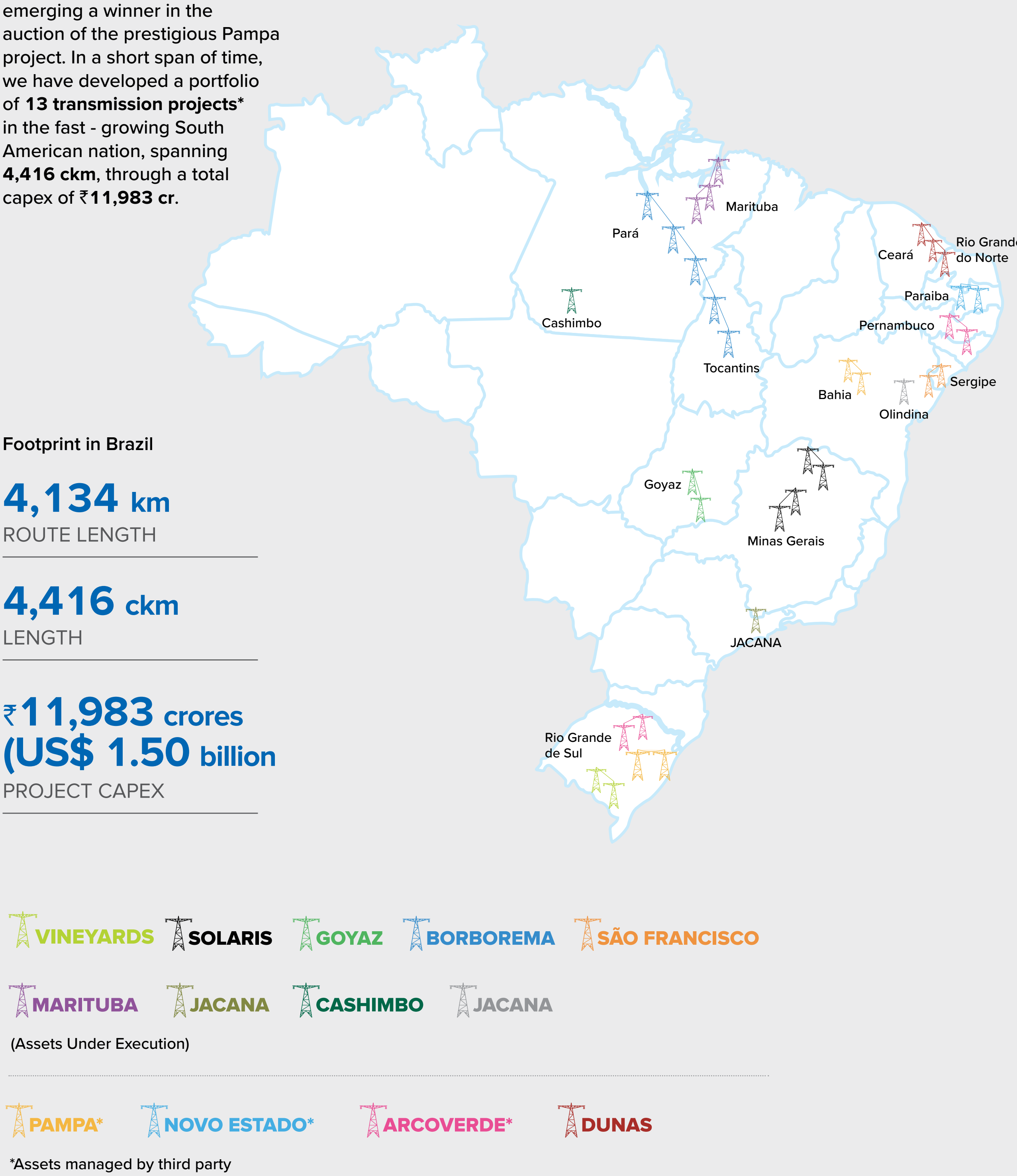
FOOTPRINT IN INDIA

PROJECT	OVERVIEW	SCHEDULED CoD	PROJECT ELEMENTS
Jabalpur Transmission Company Limited (JTCL)	1 x 765 kV D/C line 1 x 765 kV S/C line	Commissioned	**994** ckm
Bhopal Dhule Transmission Company Limited (BDTCL)	4 x 765 kV S/C line 2 x 400 kV D/C line 1 x 765/400 kV Sub-station	Commissioned	**945 ckm** **6000 MVA**
RAPP Transmission Company Limited (RTCL)	1 x 400/220 kV D/C line	Commissioned	**402** ckm
Maheshwaram Transmission Company Limited (MTCL)	2 x 400 kV D/C line	Commissioned	**472** ckm
Purulia & Kharagpur Transmission Company Limited (PKTCL)	2 x 400 kV D/C line	Commissioned	**545** ckm
NRSS XXIX Transmission Limited (NRSS)	3 x 400 kV D/C line 1 x 400/220 kV Sub-station	Commissioned	**830 ckm** **735 MVA**
East-North Interconnection Company Limited (ENICL)	2 x 400 kV D/C lines	Commissioned	**904** ckm
Gurgaon-Palwal Transmission Limited (GPTL)	5 x 400 kV D/C line 3 x 400/220 kV Sub-station	Commissioned	**271 ckm** **3000 MVA**
Khargone Transmission Limited (KTL)	2 x 765 kV D/C line 2 x 400 kV D/C line 1 x 765/400 kV Sub-station	Commissioned	**627 ckm** **3000 MVA**
NER II Transmission Limited (NER-II)	2 x 400 kV D/C line 3 x 132 kV D/C line 2 x 400/132 kV Sub-station	Commissioned	**832 ckm** **1260 MVA**
Odisha Generation Phase-II Transmission Limited (OGPTL)	1 x 765 kV D/C line 1 x 400 kV D/C line	Commissioned	**710** ckm
Goa-Tamnar Transmission Project Limited (GTTPL)	1 x 765 kV D/C line 2 x 400 kV D/C line 1 x 220 kV D/C line 1 x 400/220 kV Sub-station	Nov-2021	**478** ckm **1,000** MVA
Lakadia-Vadodara Transmission Project Ltd. (LVTPL)	1 x 765 kV D/C line	Dec-2020	**659 ckm** **1000 MVA**
Udupi Kasargode Transmission Ltd. (UKTL)	1 x 400 kV D/C line 1 x 400/220 kV Sub-station	Nov-2022	**231** ckm **1,000** MVA
Mumbai Urja Marg Transmission Limited (erstwhile known as VNLTL)	4 x 400 kV D/C line 2 x 220 kV D/C line 2 x 132 kV D/C line 1 x 400/220 kV Sub-station	Dec-2023	**351** ckm **1,000** MVA
Nangalbibra Bongaigaon Transmission Limited (NBTL)	1 X 400 kV D/C line 1 X 132 kV D/C line	Under construction	**281 ckm**
Kishtwar Transmission Project Limited (KTPL)	1X 400 kV D/C line	SPV to be acquired	**2 ckm**

Due to the impact of the outbreak and spread of the COVID-19 pandemic, all under-construction Transmission projects were granted a 5-month extensions by the Ministry of Power Notification No. 3/1/2020-Trans dated July 27, 2020.

BRAZIL

We commissioned our first project in Brazil 28 months ahead of schedule, while also emerging a winner in the auction of the prestigious Pampa project. In a short span of time, we have developed a portfolio of **13 transmission projects*** in the fast - growing South American nation, spanning **4,416 ckm**, through a total capex of ₹**11,983 cr**.



Footprint in Brazil

4,134 km
ROUTE LENGTH

4,416 ckm
LENGTH

₹11,983 crores (US$ 1.50 billion
PROJECT CAPEX

This map is a graphical representation designed for general reference purposes only

FOOTPRINT IN BRAZIL

PROJECT	OVERVIEW	SCHEDULED CoD*	PROJECT ELEMENTS
Arcoverde	2 x 230 kV transmission line 1 x 230/69 kV Sub-station	Commissioned	**139** ckm **400** MVA
Vineyards	3 x 230 kV transmission line 2 x 230/69 kV Sub-station 4 x 230/69 kV Brownfiled sub-station	Aug-22	**114** ckm **496** MVA
Novo Estado	3 x 500 kV transmission line	Commissioned	**1,831** ckm
Dunas	3 x 500 kV transmission line 3 x 230 kV transmission line 3 x Greenfield substation 3 x Brownfield substation	Commissioned	**541** ckm **3,300** MVA
Borborema	1 x 500 kV transmission line 1 x Greenfield Substation 1 x Brownfield substation	Mar-23	**130** ckm **750** MVA (Additional 450MVA in Borborema Reinforcement)
Sao Francisco	2 x 500 kV transmission line 1 x 230 kV transmission line 5 x Brownfield substation	Sep-23	**521** ckm
Goyaz	1 x 230 kV transmission line 4 x brownfield substation	Mar-23	**152** ckm **600** MVA
Marituba	1 x 500 kV transmission line 2 x Brownfield substation	Mar-23	**374** ckm
Solaris	1 x 345 kV transmission line 1 x 230 kV transmission line 1 x greenfield substation 3 x brownfield substation	Jan-24	**298** ckm **800** MVA (Addtnl 600MVA in Borborema Reinforcement)
Pampa	2 x 525 kV transmission line 1 x 525/230 kV Sub-station	Commissioned	**316** ckm **1,544** MVA
Jacana	500kV Olindina II S/S – interconnection of 500kV and 230kV switchyards, (3+1)x150MVA	Mar-25	**450** MVA

MSI and Products Business

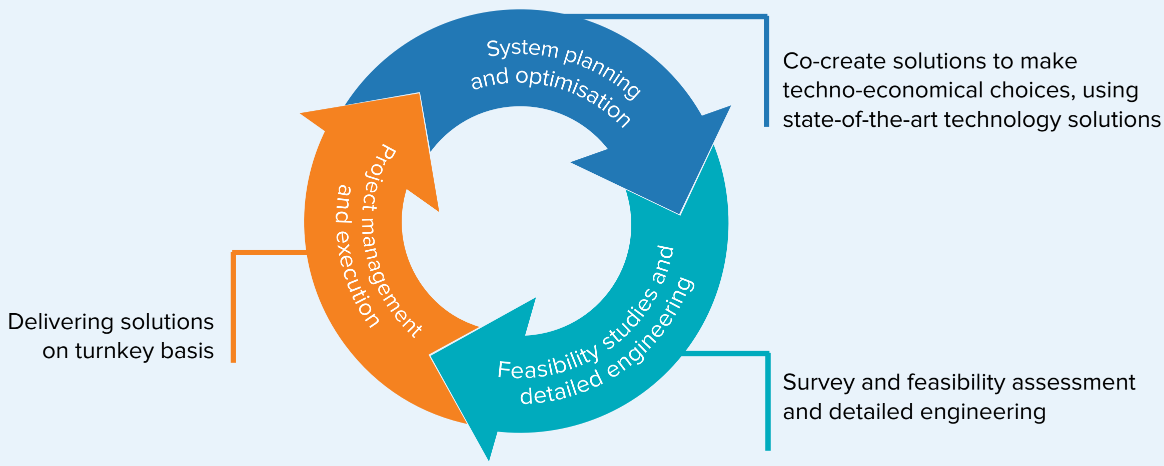
India is home to some of the world's fastest growing cities. Urbanisation and development are triggering exponential demand for power, resulting in transmission congestion challenges. There is an urgent need to strengthen, upgrade and uprate corridor intensity of ageing transmission infrastructure with imaginative, innovative and cost-effective solutions.

Our custom-built solutions, top of the line technological prowess, engineering expertise, system design and specialised EPC services are clear value differentiators. We are India's first and largest integrated manufacturers of OPGW. Creative problem-solving, strategic investments and industry-leading research and development are inextricably tied to our long-standing commitment to customers. We strive constantly to refine operations and deliver best-in-class customer service. We are innovating on multiple fronts to build the future of energy and address customer challenges swiftly and efficiently through the unwavering prism of time, space and capital.

MASTER SYSTEM INTEGRATION (MSI)

A full service operation, our MSI business delivers multi-fold increase in throughput, upgrades to existing infrastructure, uprate of overhead conductors and OPGW-based communication systems in the shortest possible time.

Business Model



Capabilities	Differentiators
• Expertise in power system planning studies and network optimisation	• Engaging deeply with customers to solve challenges of time, space and capital in developing their transmission networks
• End-to-end design expertise; digital tools for substations, conductor, cable systems	• Faster turn-around times for feasibility assessment and for execution engineering
• Zero shutdown (live-line) reconductoring capability	• Introduced this methodology in the country, allowing line uprates with no disruption in supply through the line
• Industry leading global partnerships state-of-the-art technical solutions	• Bringing the best and the latest of solutions such as power flow controller, dynamic line rating, tower coating, to utilities in India, for maximising asset utilisation
• Use of robotics and aerial technology for safe stringing of OPGW and power conductors	• Passionate proponents of innovation, for faster execution and for better safety and quality standards

Flagship Projects

KERALA INTERSTATE CORRIDOR TRANSFORMATION

Massive uprate/upgrade exercise to revamp the inter-state transmission network with 15-24 times increase in throughput

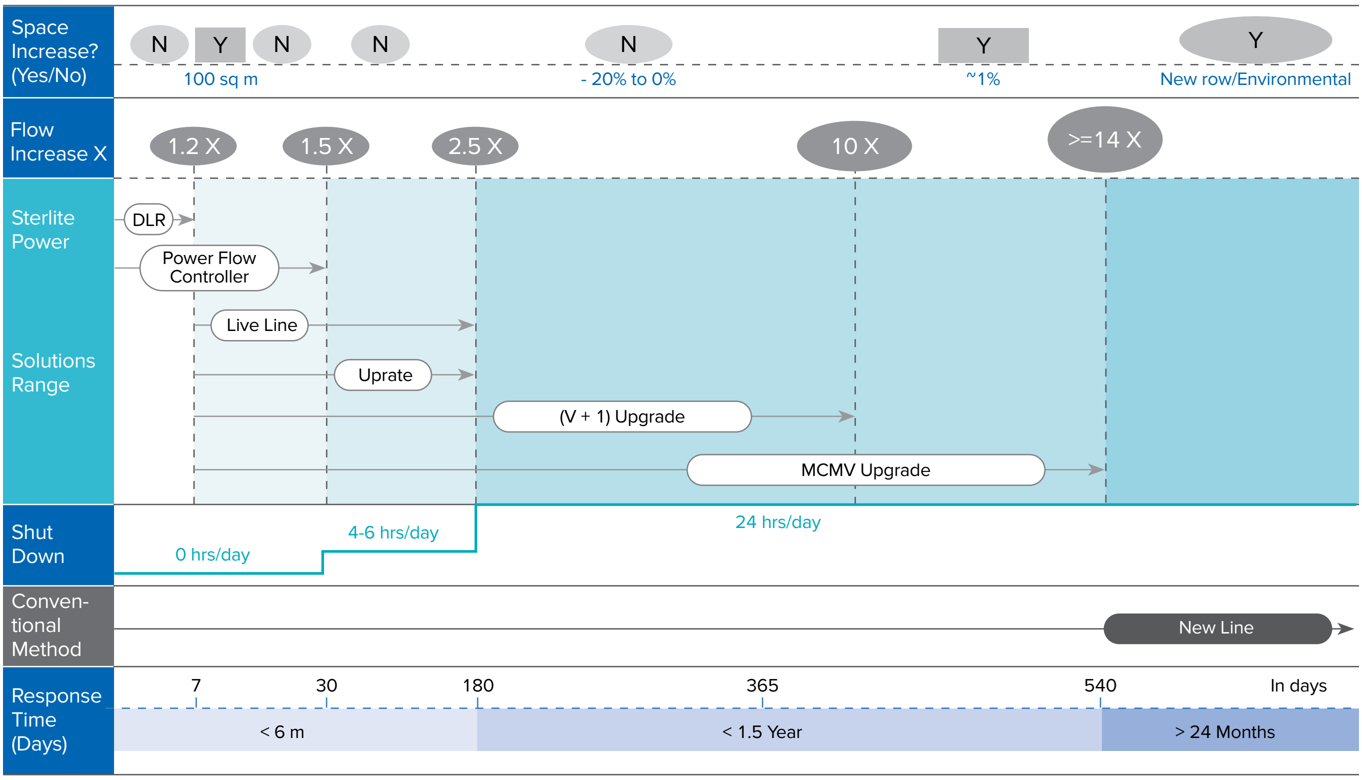
GANGA RIVER CROSSING PROJECT – BIHAR

Longest span on 400 kV line with HPC (quad configuration)

BRINGING RELIABLE & QUALITY POWER TO DELHI

Over last few years, Delhi has uprated ~50% of its 220kV network with a view to have a 'Zero generation scenario' grid plan and rely on imported power. The city will also now have to gear up for upgrade of its substations and lines on critical corridors. Sterlite Power has partnered with Delhi in this transition with execution of ~80% of the uprate projects.

Comprehensive Range of Solutions



Solutions Continuum: Addressing time, space and capital

4,600+ ckm

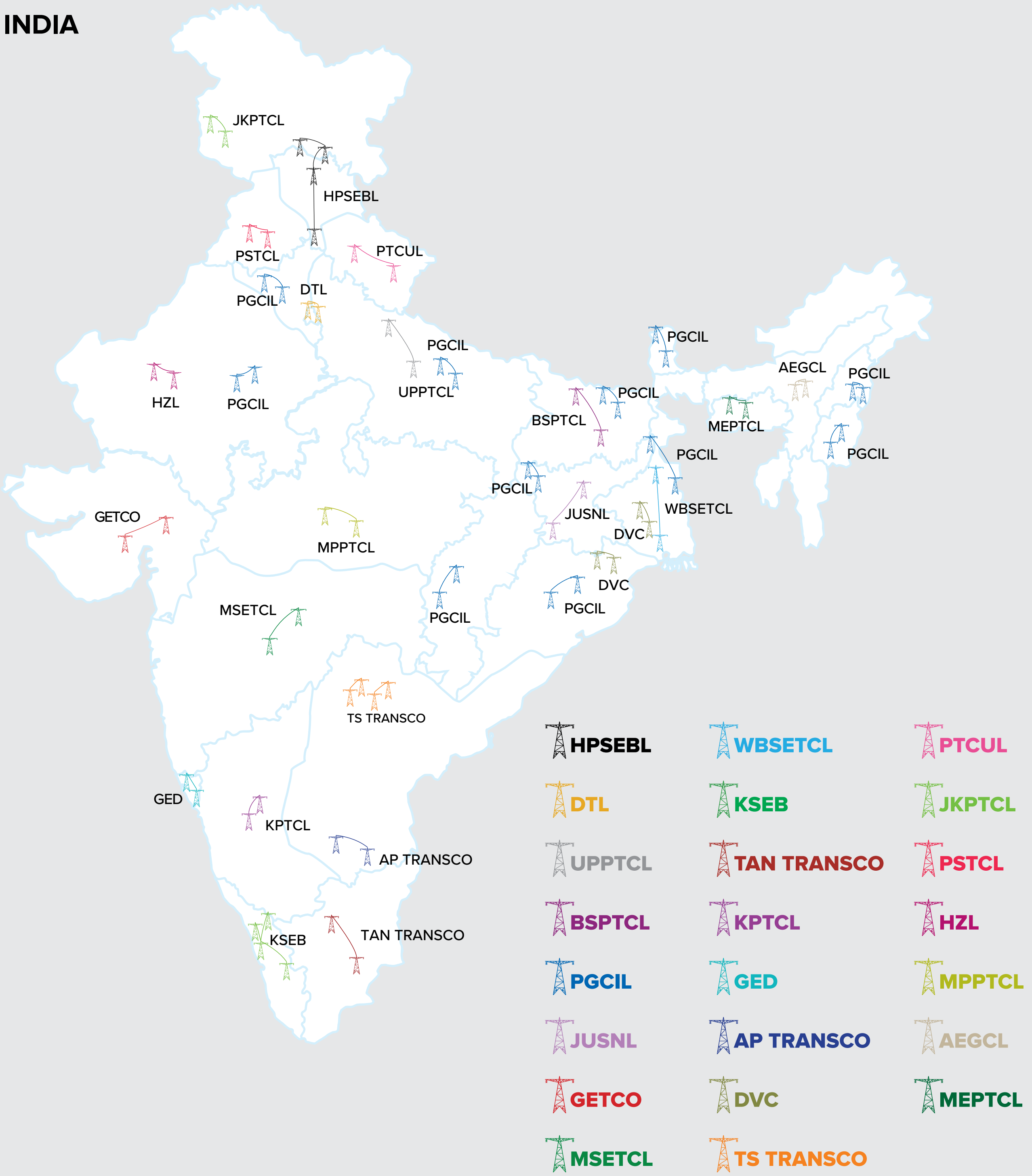
Of uprate and upgrade to existing transmission line (completed or under execution)

108

Critical corridors in 15 states

34,000+

OPGW-based communication projects under live-line condition (completed or under execution)



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Transmission Technologies

INTELLIGENT GRID MONITORING CONTROL

Dynamic Line Rating (DLR) and smart valves will enable utilities to assess in real time and control power flows

SKYROB™

Robotics technology to ensure safety of 'high-risk' operations, involving installation, inspection, and maintenance of OPGW on high-voltage transmission lines

AERIAL TECHNOLOGY

Drones for stringing conductors on transmission lines for safety, speed, and tough terrains

Industry-leading Diversified Portfolio

Sterlite Power is a leading manufacturer of power cables, conductors and OPGW, supplying to all major Indian states and private utilities besides exporting to 60+ countries. It has four state-of-the art manufacturing assets in Silvassa, Jhasruguda and Haridwar.

Overhead Products Business

CONDUCTORS

- Complete range of power conductors from ACSR to High Performance Conductors (HPC) like composite core, INVAR, ACCC, ACSS and GAP type
- Four NABL-accredited manufacturing facilities with production capacity of 1,62,000 MT/year and 12,000 km/year of HPC
- Supply to 60+ countries
- First player in India with upstream integration of molten metal for manufacturing conductors
- Conductor facilities at Rakholi and Piparia scored 97% and 93%, respectively in the Workplace Conditions Assessment audit conducted by Intertek in November 2018

OPTICAL GROUND WIRE (OPGW)

- India's only fully integrated manufacturer and solutions provider of OPGW; NABL-accredited manufacturing facility
- Capacity of 18,000 km/year
- Planning, application, design engineering and execution capabilities to meet requirements of power systems/utilities for communication, protection and commercial purposes
- First conductor and OPGW manufacturer in India to obtain a landmark assessment and certification for measurement and reporting of greenhouse gas emissions, as per ISO 14064:2006

Underground Products and Turnkey Business

CABLES & SOLUTIONS

- State-of-the-art facility for manufacturing cables with NABL accredited Test Lab
- Wide product range covering 6.6 kV to 400 kV power cables
- New products like three core cables, fibre-integrated power cables, high-ampacity, low-loss cables and CCD are in focus
- Range of 110+ innovative designs to meet industry requirements
- EHV turnkey projects, include cable laying and substation development

OVERHEAD SEGMENT DIFFERENTIATORS:

- Fully backward and forward integrated with control over the entire value chain – from products to services – to ensure uninterrupted supplies of raw material
- Years of in-depth experience in transmission lines services
- Access to smelters of Sterlite Group companies to ensure abundant raw material, regardless of global aluminium shortages
- Optimal capacity - Three state-of-the -art manufacturing facilities
- Proximity to Seaports - All the plants are located near Seaports for easy movement of materials
- Only conductor manufacturer in the world owning transmission lines in India and Brazil.

UG BUSINESS (TURNKEY AND PRODUCTS)

- State-of-the-art manufacturing facility (2010) with 2 longest CCV lines (Maillefer)
- Latest equipment's from Europe and India for 220 kV, expandable to 400 kV
- NABL accredited Test labs for Type-Test up to 220 kV
- Strong R&D and technical expertise for New Product Design, Development, and turnkey Solutions

DIFFERENTIATORS

- First Indian cable manufacturer to develop 5 Breakthrough Innovations in Power Cables – FIPC, CCD, HA, Low Loss and 3 core 66kV Cables.
- Patent Received for UltraEff Cables.
- Highest Market Share in 66kV Segment – 45%
- First Cable manufacturer in India with 100% Green solution for Packing and Drum (Only Steel is used) – thereby reducing carbon footprint
- Inhouse Execution Capability up-to 400kV
- First cable manufacturer in India to develop Highest Cross Section (1,600 sqmm-Copper) in 132kV Segment. Project commissioned successfully in Gujarat for Torrent Power

Key Achievements

CONDUCTOR

- Global leader in manufacture of overhead T&D conductors – HTLS, ACSR, ACAR, AAAC, AAC
- **3,70,000+** km of conductors supplied outside India
- **1,62,000** metric tonnes of annual conductor capacity

OPGW

- India's first and only fully-integrated OPGW solution provider
- **50,000+** km of OPGW along with hardware supplied globally
- **18,000** km OPGW as annual manufacturing capacity

HV/EHV CABLES

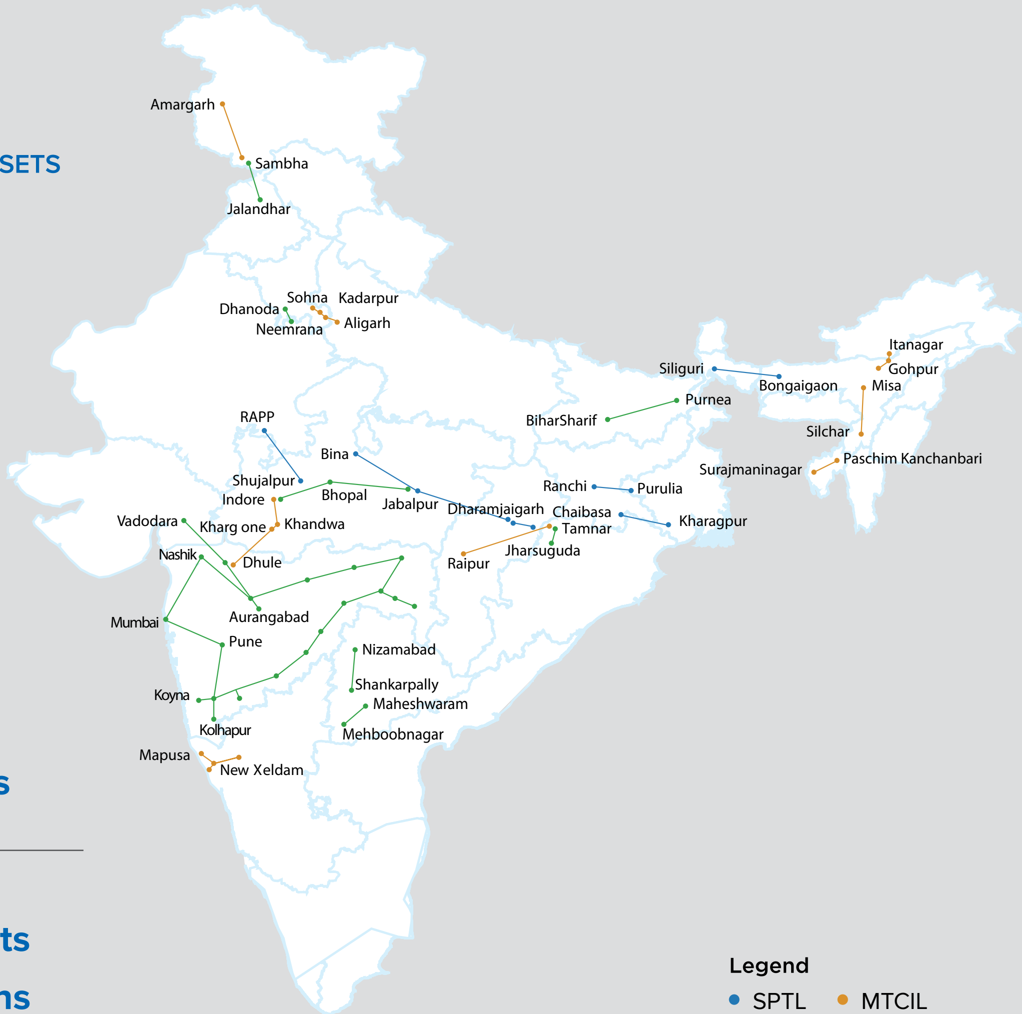
- **1,400+** km of 66kV Cables supplied to Utilities pan-India
- **300+** km of 132kV Cables supplied to Utilities PAN India
- **8,000** km of MV (33/11kV) Cables supplied pan-India

Convergence

INDIA

STERLITE POWER CONVERGENCE ASSETS

On its way to build a pan-India network



Access to
8,500+ kms
of OPGW

Network covers
100+ districts
& **450+ towns**

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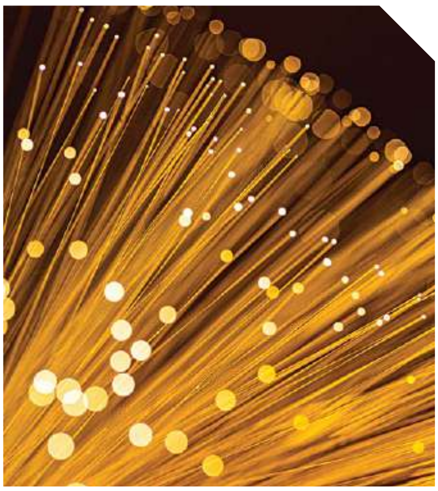
With 5G technology around the corner and IoT devices ready to connect and interact with one another – Machine to Machine (M2M), reliable optical fibre infrastructure is the need of the hour. The omnipresent utilities network located across the length and breadth of the country is poised to address the above need. Fibre network riding on utilities' existing network can provide unparalleled coverage, along with robust and secured infrastructure.

Our Convergence business is the leading best-in-class dark fibre solution providers in the country, utilising the highly reliable OPGW network. We provide the best uptime in the industry using high quality fibre with less attenuation. We joined our hands with government entities to form first-of-its-kind unique PPPs (Public-Private-Partnerships) in India. Along with the Gurugram smart city development authority (GMDA), we have built and are operating the fibre infrastructure supporting smart city operations and serving the city's internet service providers. Along with Maharashtra state Transco we have created OPGW ring network (MTCIL) within Maharashtra for providing the reliable connectivity to our customers.



The business is in expansion mode and planning to replicate the similar PPP models in other states as well.

Our co-location services provide a flexible rental rack space in a highly secured location with uninterrupted power supply and multiple back-up power. The tower infrastructure services include lease of the huge network of transmission towers for telecommunication and IoT services. The business also undertakes end-to-end fibre EPC to support telecom service providers build their network.

We are the first in the Indian telecom industry to introduce edge computing containerised data centres (CDC) to host telecom equipment. CDC solution reduces the turnaround time and provides superior customer experience.

Sterlite Power's CDC solution has been recognised at the 12th edition of the Aegis Graham Bell Awards for wining in the category of "Innovation in Telecom Infra".

Within Mumbai, which is one of the important data centre hub, the business has created an OPGW corridor and it runs within a vicinity of 500 metres to several prime hyperscale Data Centres to provide almost end-to-end OPGW connectivity. With the rise of OTTs and technologies of 5G, IoT the data demand is growing exponentially.

Convergence is competitively placed to serve this demand with a vision to be the best-in-class communication infrastructure and solutions provider by creating the most reliable network.

Key Achievements

FY22 is landmark year for Convergence business as a result of the exceptional

- y-o-y growth of 402% in cash collection with 34 customers
- This year MTCIL JV not only became PAT positive but also 100% debt free
- Acquisition of 64.98% equity stake in MTCIL JV
- Provided 99.98% uptime over the reliable network
- Our Edge computing CDC solution has been recognised at the 12th edition of the Aegis Graham Bell Awards for wining in the category of "Innovation in Telecom Infra"

Quality Excellence

We are committed to deliver quality project and products through a first-time-right approach.

We drive quality through engaged leadership and a risk-based process approach implementation of Framework, Critical To Quality (CTQ), regular bootcamps and multiplayer audits, strategic partnership with our contractors and supplier.

Sterlite Power Quality Framework describes the policy, guidelines, and management standards to consistently deliver project, product and services that meet the customer and applicable statutory and regulatory requirements, aligned with international ISO 9001:2015 standards.

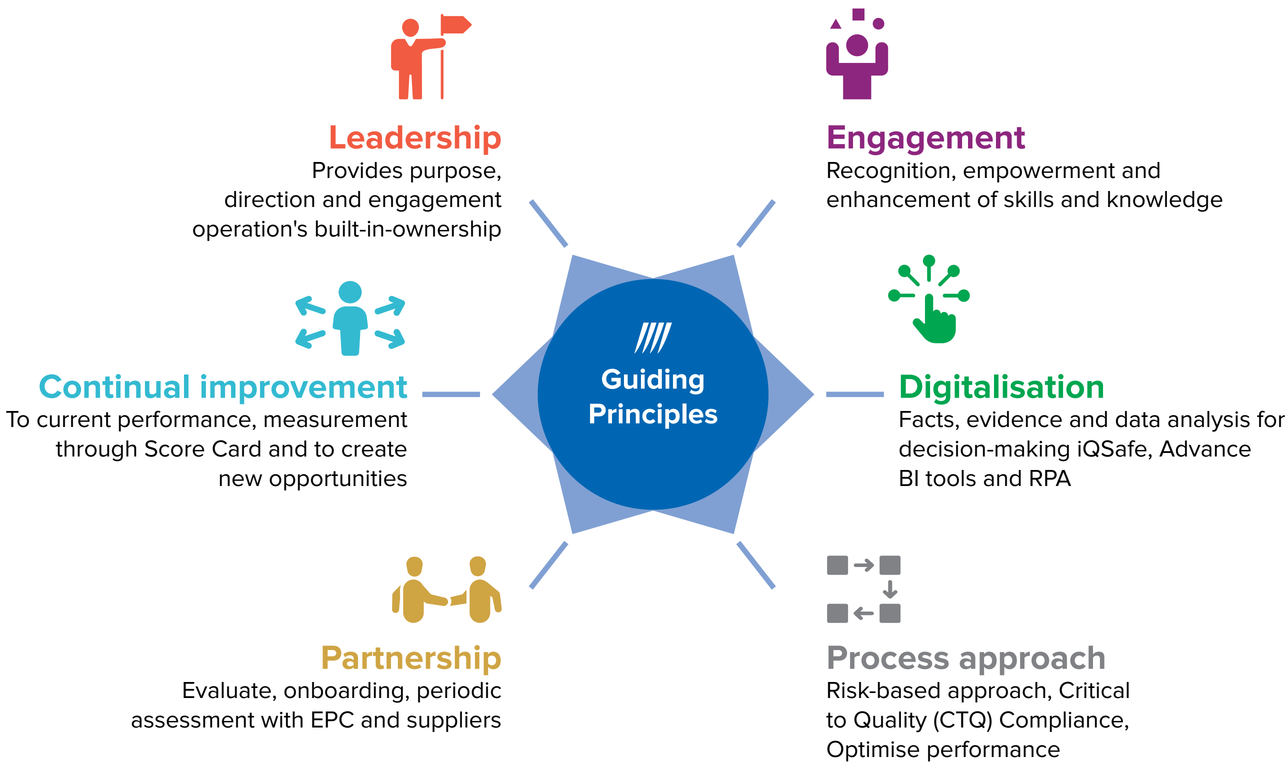
The performance of Quality is measured through specially designed balance score card comprising input and output parameters. These parameters are categorised into Lead & Lag indicators called Quality Health Index (QHI).

The Quality Health Index (QHI) is designed and developed to measure the implementation and performance of Quality Framework, Procedures and Best Practices in the organisation, across Projects and Plants.

We have initiated digitalisation as a differentiator for quality assurance by ensuring real-time inspections, data analysis and dynamic dashboards. Our manufacturing quality labs are NABL accredited to deliver high-quality conductors, cables and OPGW fibres.

Quality Excellence Model

Customer Satisfaction, Sustainable and Reliable Assets. First-Time-Right Products.



Building a Safe Work Environment

We are committed to adhering to the highest standards of safety and quality. QHSE-related injuries, occupational illnesses and incidents can be prevented through safe work practices and quality control processes.

People Health & Safety is non-negotiable at Sterlite Power and we abide by our policy through robust QHSE governance system.

We have developed HSE Management Standards & Guidelines for implementation at all our workplaces and its implementation is checked through various inspections and audits by internal and external auditors periodically.

Effectiveness of HSE Management system is reviewed at multiple levels starting from Site HSE Committee at Project/Plant level to Business Unit Safety Committee at BU level to ExCo/Board level Committee at the organisation level.

We have implemented International Health, Safety and Environment Standards ISO 45001 and ISO 14001 and are certified by recognised certification bodies.

We have gone digital during COVID-19 pandemic for conducting trainings and audits. We started site e-connects for imparting training and awareness to our employees using MS Teams. We also started virtual site e-audits using MS Teams to overcome the travel restrictions and have a check on the implementation level during the pandemic and keeping our people safe and healthy.

To keep our workplace safe from hazards, we initiated top 5 HIRA Concept in which top 5 safety risks were identified for each project and plant and then effective control measures were deployed to reduce the risk. This helped us to reduce the chances of injury to our workers.

Occupational health of our employees is one of our top priorities. We run campaigns to sensitise our employees on various occupational health aspects with the collaborative efforts of our HR team. Various yoga sessions, dental and eye health camps are some of those campaigns. Pre-employment medical checks and annual heath checks are being conducted to ensure employees are healthy and fit for work. We also ensure availability of first-aid box and emergency vehicle at workplace to tackle any health-related emergency. We have also developed Occupational Health Centres (OHC) at our manufacturing plants. We started daily monitoring of temperature and O_2 level of all our employees and workers at workplaces to proactively find any COVID-19 infections and safeguard our workplace.

We aim to minimise environmental impacts due to our operations. We ensure ambient air monitoring of our workplace. We ensure the vehicles and Diesel Generators deployed at our workplace comply with PUC norms. We have started using alternative compounds to minimise water usage in concrete curing. We do proper waste segregation, Storage and disposal through authorised vendors. We have started using solar energy for night lighting at our projects and plants.

Impacting Lives

Our CSR initiatives are aligned with the requirements under the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules, 2014.

3 GOOD HEALTH AND WELL-BEING

Provided 100 Oxygen Cylinders to Government Hospital in Dadra and Nagar Haveli

6 CLEAN WATER AND SANITATION

Contributed to drainage, road & lighting maintenance in Songir vllage. This minimised cases of water borne diseases

7 AFFORDABLE AND CLEAN ENERGY

Installed solar streetlights in Shivalakha village, positively impacting around 2500 villagers

As a part of its CSR commitment, Sterlite Power undertakes several initiatives to ensure overall development of the community in which it operates. The aim of these initiatives is to transform the lives of the communities and help them build a sustainable future.

In April 21, India was fighting the world's worst wave of COVID-19. Hospitals and healthcare providers were running out of resources like medical Oxygen, which was critical in the fight against the pandemic. Driven by its core value of social impact, we extended our support to the Vinoba Bhave Civil Hospital in Dadra and Nagar Haveli to provide them 100 Oxygen Cylinders. Given that this was the only government hospital in the region with ventilators and ICU support for the infected patients, it was critical to mobilise the medical supplies on a war footing basis. We expedited the effort and delivered the cylinders to the hospital, potentially saving hundreds of lives.

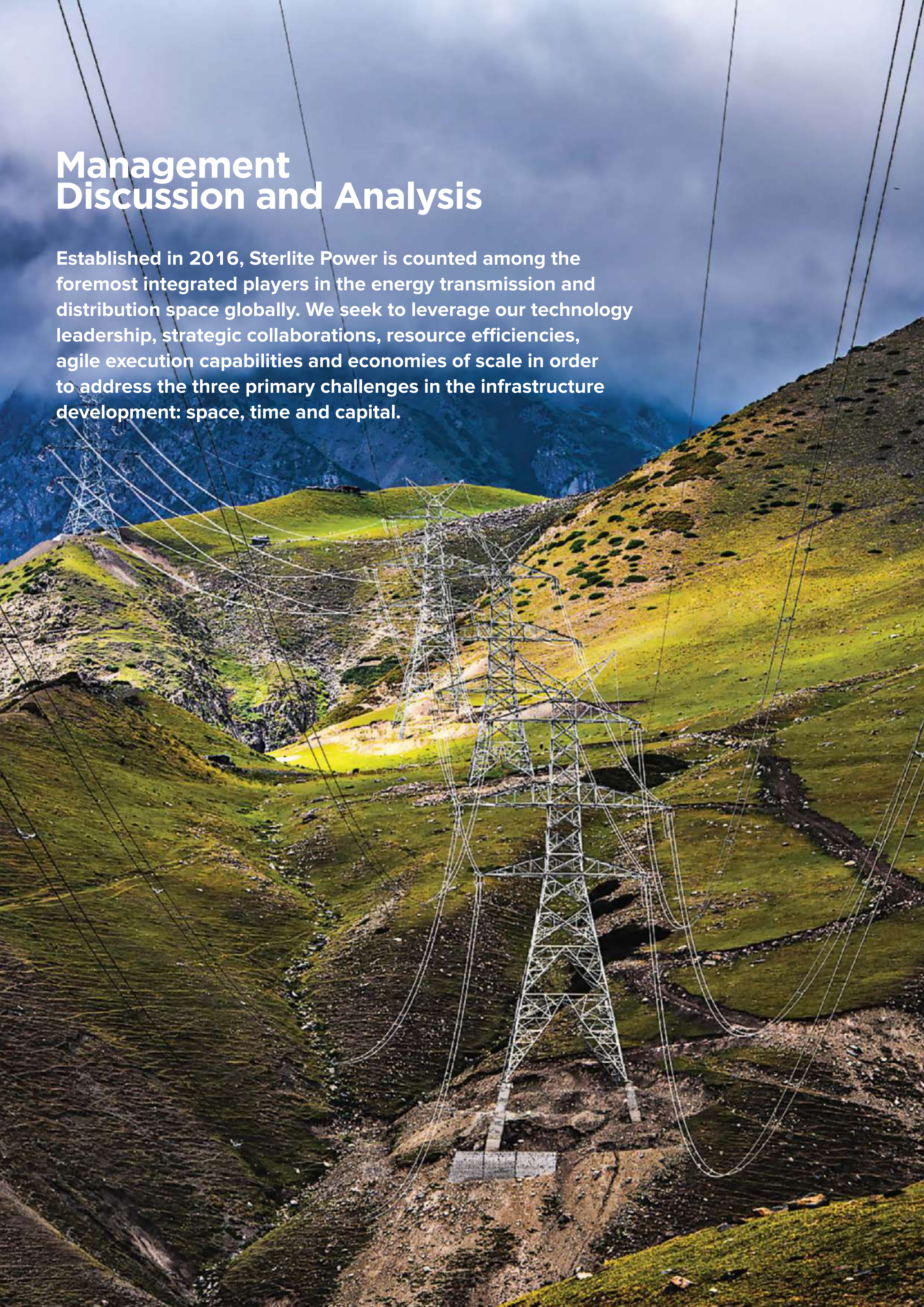
In Gujarat, the team has installed 17 solar streetlights at various locations in Shivalakha village near Lakadia. This initiative has helped around 2,500 villagers of Shivalakha in not only continuing their work during night hours but also ensured road safety especially during night (especially senior citizen and children). Since there are multiple ongoing projects in the vicinity of the village, night hours experienced significant vehicle movement and therefore, the installation of the streetlights proved to be a boon for the villagers.

In Maharashtra, the team contributed towards community development activities like drainage, road and lighting maintenance in Songir village. This area has been historically known for significant cases of water borne diseases. So, drainage repairing work helped around 15,000 villagers in better health management. It minimised possibility of various diseases and mortality riskto 200+ children in the vicinity every year.

Through these efforts, we have lived our core value of social impact, driving an inclusive growth to reach out to the most vulnerable communities and helped build a better tomorrow.

Management Discussion and Analysis

Established in 2016, Sterlite Power is counted among the foremost integrated players in the energy transmission and distribution space globally. We seek to leverage our technology leadership, strategic collaborations, resource efficiencies, agile execution capabilities and economies of scale in order to address the three primary challenges in the infrastructure development: space, time and capital.



ECONOMIC OVERVIEW

GLOBAL

The global economy is presently riddled by several forces that are shaping its growth and outlook. While mass vaccination programmes across nations have provided the necessary fillip to economic activities, resurgence of the virus and its variants, along with the war in Ukraine could cast a shadow of uncertainty on the pace of economic revival. Rising energy prices, and supply restrictions have resulted in high and broad-based inflation across economies, notably in the United States and many emerging and developing economies. As per the World Economic Outlook, the world economy grew by 5.9% in 2021 after having shrunk by 3.1% in the year before. The growth was led by emerging and developing economies that grew at 6.5%. As is evident from the chart, developing economies in Asia shrunk the least in 2020 and have grown the fastest in 2021.

Chart 1: Growth in economies in 2020 vs 2021

Emerging economies in Asia shrunk the least and grew the most

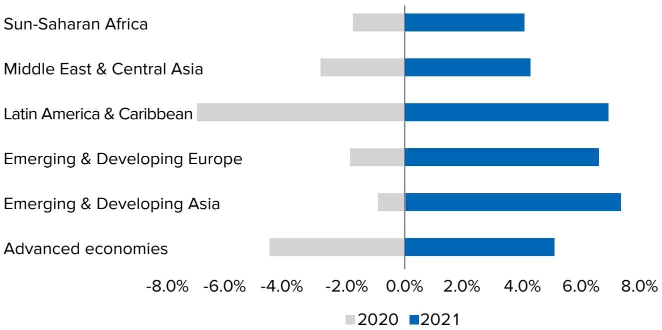


Table 1: Growth in major world economies

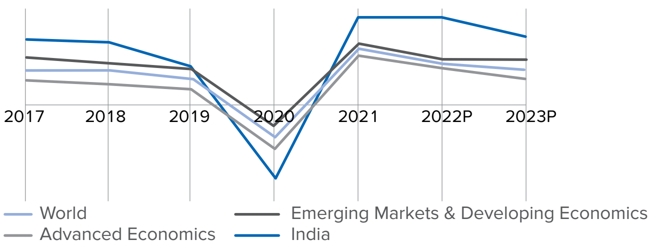
	United States	United Kingdom	Japan	China	India	Brazil
2020 growth	(3.4%)	(9.4%)	(4.5%)	2.3%	(7.3%)	(3.9%)
2021 growth	**5.6%**	**7.2%**	**1.6%**	**8.1%**	**9.0%**	**4.7%**
Effective growth	2.0%	(2.9%)	(3.0%)	10.6%	1.0%	0.6%

Outlook

The supply chain disruptions and energy price volatility induced by the pandemic and the war have propelled inflation across all major economies. As per the World Economic Outlook, April 2022, global growth in 2022 is expected to moderate at 4.4%. This growth is expected to taper further in 2023. Developing economies of Asia are expected to outpace all other economies in both the years, growing at 4.8% and 4.7% respectively.

Chart 2: GDP growth in India and major global economic groups

Indian economy has moved in sync with the global economy



INDIA

The global economies looked up in 2021. India was no exception to this. New infections fell significantly, and vaccination rates have risen to surpass a billion and a half doses, causing the economy to expand the most among global peers, growing at 8.2%. The nation's broad range of fiscal, monetary and health responses to the crisis have supported its recovery and, along with economic reforms, are helping to mitigate a longer-lasting adverse impact of the crisis.

Outlook

The International Monetary Fund has projected a "fairly robust" growth of 8.2% for India in 2022, making it the fastest-growing major economy in the world, almost two times faster than China's 4.4%. India's prospects for 2023 are pegged at 6.9% on expected improvements to credit growth—and, subsequently, investment and consumption—building on better-than-anticipated performance of the financial sector. However, the rise in energy and food prices caused by the war in Ukraine, along with the possibility of additional waves of infection are caveats to these projections.

BRAZIL

As Brazil turned tide in its economic growth from 2017 onwards (after shrinking for two consecutive years prior to that), COVID-19 halted the growth in 2020. As per the IMF, the economy shrunk by almost 4%. In 2021, Brazil recovered almost completely, growing at 4.7%, supported by booming terms of trade, robust private sector credit growth, and one of the biggest stimulus packages in emerging markets.

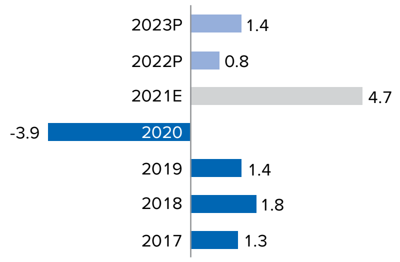
The stringent lockdowns through the year and the rollout of vaccinations have helped bring down infections in the country. Further, rise in inflation, initially driven by surging food and energy prices and later becoming broader, reflects monetary policy inertia as well as a strong recovery in demand. Inflation, along with the increased rates of unemployment have weighed on the economic outlook for this largest Latin American economy.

Outlook

While Brazil responded briskly to the impact of the pandemic towards the end of 2020 and achieved the pre-COVID level of GDP in 2021, inflation in the country is the highest it's been in 15 years. Consequently, the Central Bank has increased the policy rates by 975 basis points over the year. This is likely to weigh on the domestic demand in the economy and impact its growth. IMF projects the economy to grow by 0.8% and 1.4% in 2022 and 2023 respectively. In addition to this, the economy is expected to stabilise further as political uncertainty settles after the presidential elections.

Chart 3: Historic GDP growth in Brazil and growth projections

In 2021, Brazil recovered fully from the contraction observed in 2020



INDUSTRY OVERVIEW

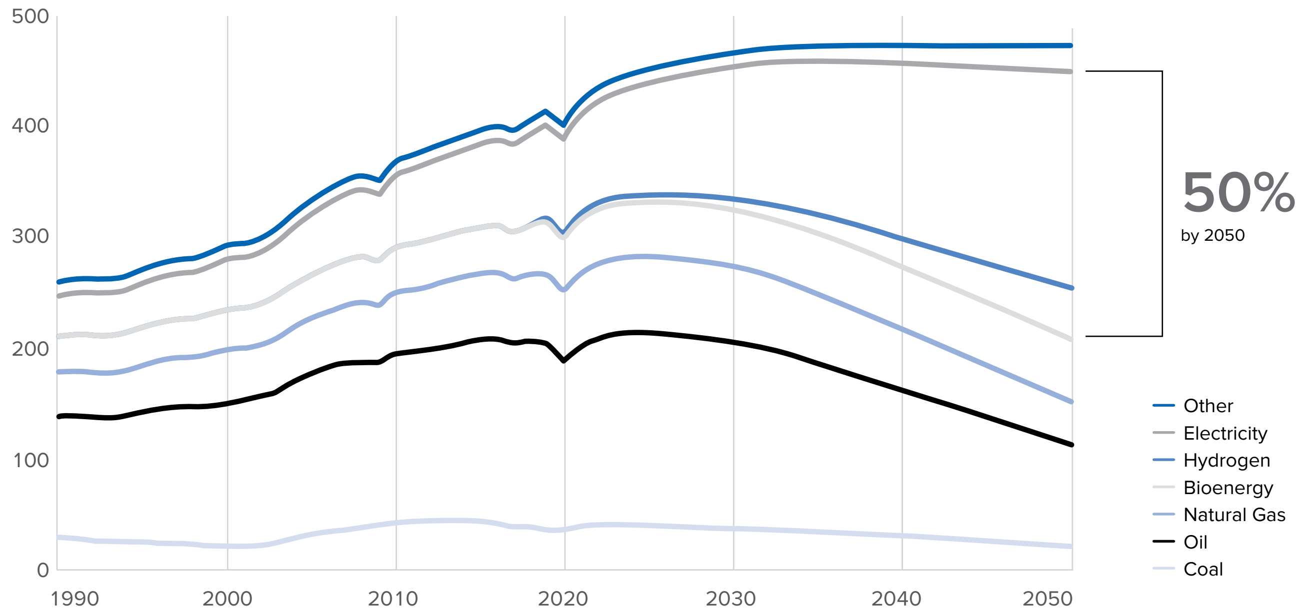
GLOBAL

The global chorus on decarbonisation has grown stronger than ever before. As per BNEF's Energy Transition Investment Trends report, in 2021, global energy transition investment totaled US$755 billion, up from US$595 billion in 2020 and just US$264 billion in 2011. The largest sector in 2021 was renewable energy, which attracted US$366 billion for new projects and small-scale systems (up 6.5% from 2020). The commitments laid out by nations during COP26 are testament to the growing discourse and global commitment towards decarbonisation.

US$755 billion	**~27%**	**$366 billion**
Global energy transition investment in 2021	Year on year increase in energy transition investment	Global investment in Renewable Energy in 2021

Chart 4: Final global energy consumption per fuel by 2050 (million TJ)

Electrification of economies, along with Hydrogen to cater to 50% of the needs



Electrification is likely to be one of the first decarbonisation levers, being the lowest cost and easiest to implement in most sectors. The demand for electricity is projected to triple by 2050, growing at a CAGR of 3-4% from 2019 to 2050. As per McKinsey & Company's Global Energy Perspective,2022, it is projected that electricity and hydrogen will fuel 50% of the final energy consumption by 2050.

Chart 5: Annual capacity addition for coal (GW)

There is an evident decline in annual coal capacity additions over the past decade

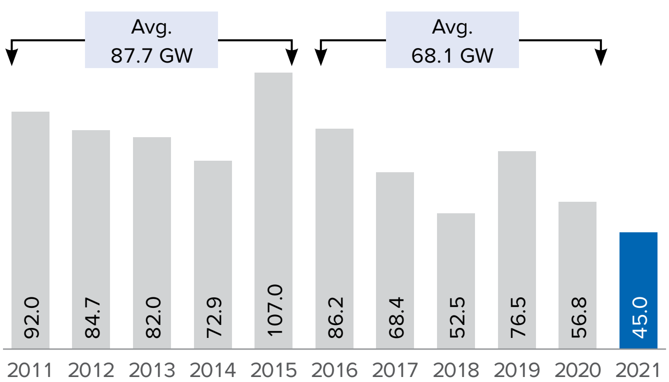
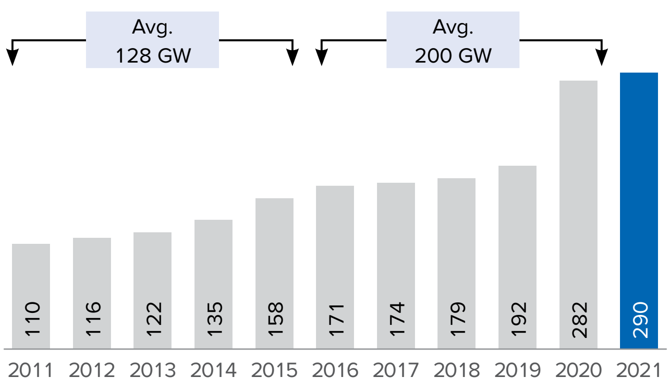


Chart 6: Annual capacity addition for renewables (GW)

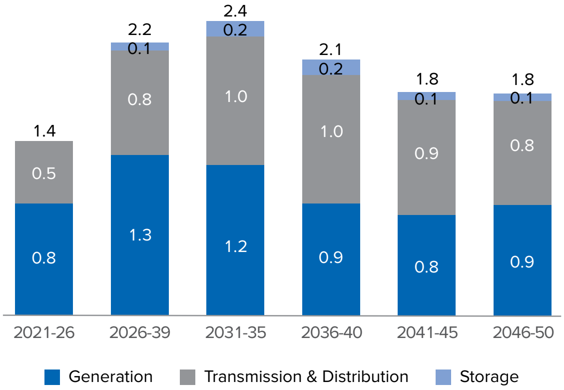
Annual installed capacity for renewables has consistently grown over the past decade



A regimental shift in the energy mix is necessary to achieve the Net Zero targets. The trend has started to become more evident over the past years wherein the new coal fired power plant capacity has started to show a consistent fall. Between 2011 and 2015, the average new coal fired power plant capacity added per annum was close to 88 GW, which declined to ~68 GW in the 2016-20 period. In 2021, only 45 GW of such new capacity was added, which is the lowest since 2005. On the flip side, average 128 GW renewable capacity was added between 2011-15 which increased to an annual average of over 200 GW between 2015 and 2020. In 2021, ~290 GW of renewable power projects were commissioned, despite the rising cost of critical raw materials, signifying political will and investor confidence in the sector. It is projected that the future growth in energy investments could be driven almost entirely by renewables and decarbonisation technologies. Global Energy Perspective, 2022 projects investments in renewables to grow by 4% per year until 2035, accounting for 37% of global energy investments in the next 15 years. Developing nations are likely to corner a large proportion of this investment.

Chart 7: Annual capex in energy delivery value chain 2021-50 (avg. over 5 years in $ trillion)

Over $25 trillion capex in grid required to achieve net zero by 2050



The growing need for electrification, with an emphasis on distributed renewables creates a strong case for a complementary grid infrastructure to facilitate decarbonisation. It is estimated that a capital expenditure of ~US$25 trillion would be required in transmission and distribution to enable a Net Zero 2050 scenario.

INDIA

Overview

The power sector plays a crucial role in socio-economic growth and is instrumental to the development of a nation. Consistent and steady investments in the sector are therefore imperative to propel growth. Over the years the country has achieved the key milestones of achieving a 100% electrification. As it strides further in its journey of development of the power sector, Hon. Prime Minister's commitments announced during the COP26 summit shall act as a guiding principle.

- Raise the non-fossil fuel-based energy capacity of the country to 500 GW by 2030
- To meet 50% of the country's energy requirements using renewable energy sources by 2030
- To reduce the total projected carbon emission by one billion tonnes between now and 2030
- To reduce 45% carbon intensity by 2030
- To become carbon neutral and achieve net-zero emissions by 2070

As the dependence on fossil fuel decreases, the complementary rise in renewables and storage shall necessitate a rise large-scale build out of a transmission network. In addition, as the gap between the capita power consumption of India and the globe narrows, potential grid congestion would further propel grid modernisation and build out. Early seeds of increasing power demand have become evident in the previous fiscal.

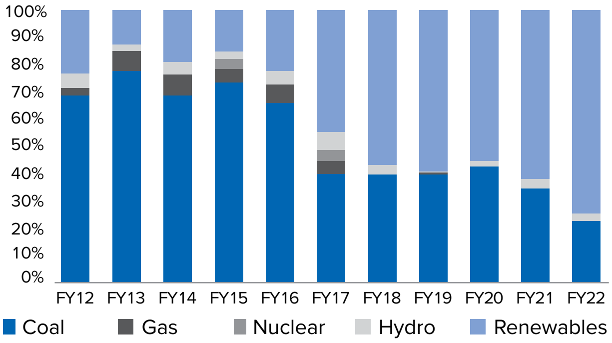
In FY22, as the economy opened, the power demand grew by an 8.5% y-o-y to 1384 BU. During the year, the peak demand surpassed the previous high to reach ~200 GW. These numbers are likely to shoot further up as the country embarks on the journey of becoming "Atmanirbhar" and consolidates itself as a manufacturing hub of the world. Great strides have been made in the previous year towards it: several Performance Linked Initiative (PLI) schemes have been rolled out and have garnered positive reception from the industry. The PLI scheme to promote solar manufacturing was subscribed 5.5 times, while the scheme to promote battery manufacturing was subscribed 2.6 times. This indicates investor confidence in the Indian economy at large and in its power sector, in particular.

Generation

India achieved the landmark of 100GW of installed RE capacity during FY22. The country has an installed generation capacity of ~400 GW, of which over 25% is renewables at present. In FY22, ~19 GW capacity was added, of which over 14 GW was solar alone, the highest annual installation ever. Despite the rise in input costs and supply chain constraints, capacity auctions for renewables have continue to witness intense competition and discovery competitive tariffs implying continued investor focus and confidence in the sector. Large number of small and big-ticket acquisitions and the multiples on which they were valued further augment the assertion on the attractiveness of the sector. In a reflection of investors' interest in India's green economy, the total value of acquisitions in India's renewable energy sector surged by more than 300% to $6 billion in the first ten months of 2021 (till October) from less than US$1.5 billion reported in 2020. In all, $14 billion were invested in energy transition in India in 2021, according to CEEW's Clean Energy Investment Trends 2021. (Add source)

Chart 8: Distribution of source-wise capacity addition in previous decade

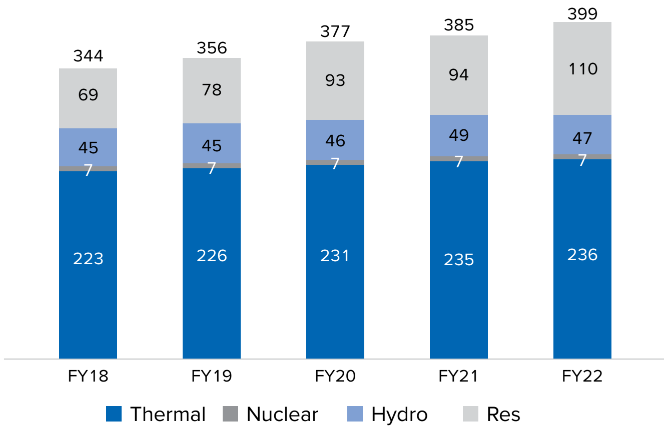
Annual addition of renewable capacity outpacing other energy sources



On the flip side, supply chain constraints accompanied with international geo-political factors caused a severe shortage of coal in the country. The spike in power exchange volumes and prices is a testament to the demand-supply asymmetry caused by the shortage. Coal shortage, accompanied with an unprecedented increase in power demand has resulted in load-shedding and loss to productivity and proves a further tailwind to generation from renewables. The global trend of declining installation of fossil fuel-based capacity is visible in India as well.

Chart 9: Absolute annual capacity addition by source

Annual addition of renewable capacity outpacing other energy sources



Transmission

Placed critically between the generation and distribution, transmission plays a pivotal role in ensuring energy delivery to the centres of consumption. India's shift to a cleaner economy is bound to create a need for a robust grid to connect the renewable energy rich centres in the West and South to the demand centres in the North. Unlike conventional thermal capacity, which requires 4-6 years for commissioning, renewables require ~2 years to develop. Consequently, pace of transmission build-out will require expediting to keep pace with the growing renewable mix. In alignment with this, the CTU in its ISTS rolling plans for 2026-27 has identified transmission schemes comprising of 31,895 ckm of transmission lines and transformation capacity of 2,16,840 MVA at estimated cost of ₹1,24,148 crores of these, 13 projects with an estimated cost of ₹14,766 will be developed under Tariff Based Competitive Bidding (TBCB).

In addition, the government is committed to reforming the transmission sector- The ISTS planning regime has been refined to expedite the planning process, deadline for transmission charge waiver for green projects has been defined to augment the transmission charge pool and transmission projects of over 45,000 crores have been identified as a part of the National Monetisation Pipeline to infuse private capital in the sector.

14,895

Ckms transmission line added in FY22

78,982

MVA of transformation capacity added in FY22

Transmission buildout has been impacted since the outbreak of COVID-19, owing to supply chain disruptions and imposition of partial lockdowns across states. In FY22, 14,895 ckms of line length as against over 24,000 average additions between FY15 and FY19 (pre-COVID). 78,982 transformation capacity was added to the grid. As has been evident in the previous years, the private sector growth in network has outpaced the growth in the central and state transmission and its share in the overall grid length has been steadily expanding.

Chart 10: Annual addition to transmission infrastructure- line length and transformation capacity

India has consistently added ~15,000 ckm. Annually since FY13 energy sources

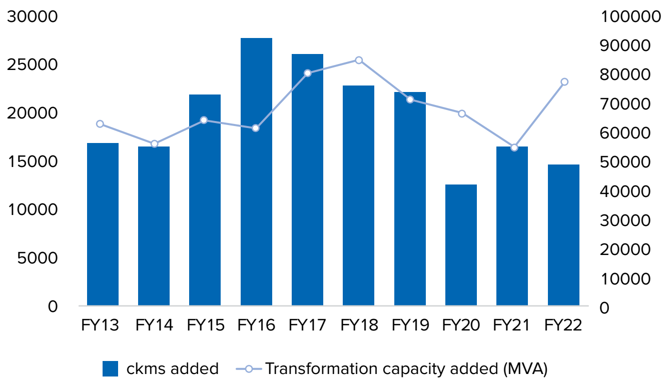


TABLE 2: SECTOR-WISE GROWTH IN TRANSMISSION BUILD-OUT IN INDIA OVER THE YEARS

Transmission ckm at the end of		Central	State	Private	Total
6th plan	ckm	3,472	48,562	-	52,034
	%	7%	93%		
7th plan	ckm	17,626	61,827	-	79,453
	%	22%	78%		
8th plan	ckm	31,199	86,177	-	1,17,376
	%	27%	73%		
9th plan	ckm	42,017	1,10,252	-	1,52,269
	%	28%	72%		
10th plan	ckm	64,295	1,31,828	-	1,96,123
	%	33%	67%		
11th plan	ckm	91,950	1,57,116	8,415	2,57,481
	%	36%	61%	**3%**	
12th plan	ckm	1,41,033	2,02,197	24,621	3,67,851
	%	38%	55%	**7%**	
2017-22	ckm	1,75,164	2,46,709	34,843	4,56,716
(up to March 22)	%	38%	54%	**8%**	

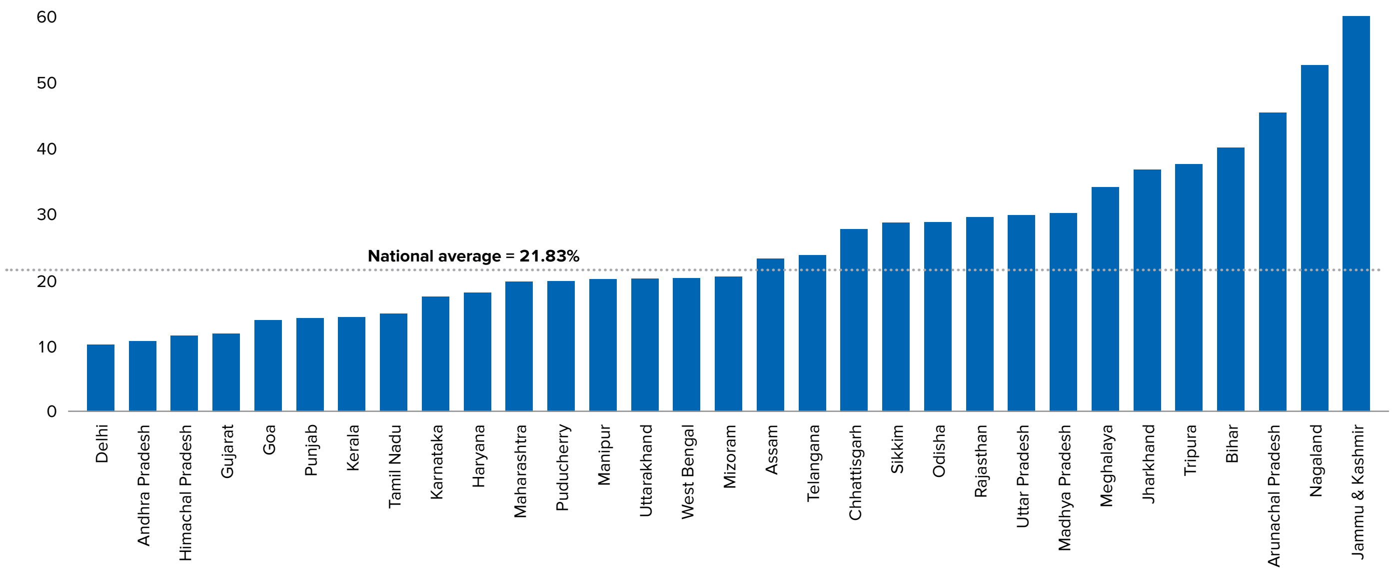
Distribution

Distribution is the last-mile, consumer facing end of the energy delivery value chain. Over the years, under-investment in infrastructure and loss reduction has resulted in distribution becoming the highest loss maker in energy delivery. In FY20, the average loss across DISCOMs was 21.83%, as per PFC's report on Performance of Power Utilities. The high losses impact the financial viability of the DISCOMs, thereby impacting their ability to pay to the GENCOs.

The Government has floated several reform initiatives over the past years to block the value leakage in distribution and to improve their working capital management. In the previous fiscal, the cabinet approved a Revamped Distribution Sector Scheme (RDSS) with an outlay of over 3 lakh in the next 5 years. The objective of the scheme is to reduce AT&C losses to pan-India levels of 12-15% by 2024-25 and to completely negate ACS-ARR gap by 2024-25. The result-based, reform linked scheme endeavours to provide financial support for Prepaid Smart Metering and System Metering and up-gradation of the Distribution Infrastructure. Further, the intent of the scheme is to attract private participation and infrastructure developers by offering services on a Design-Build-Finance-Own-Operate mode (DBFOOT), akin to the transmission infrastructure.

Chart 11: State-wise AT&C losses in India

Average losses in Indian DISCOMs remain high, making it a large value leakage sector in the energy delivery value chain



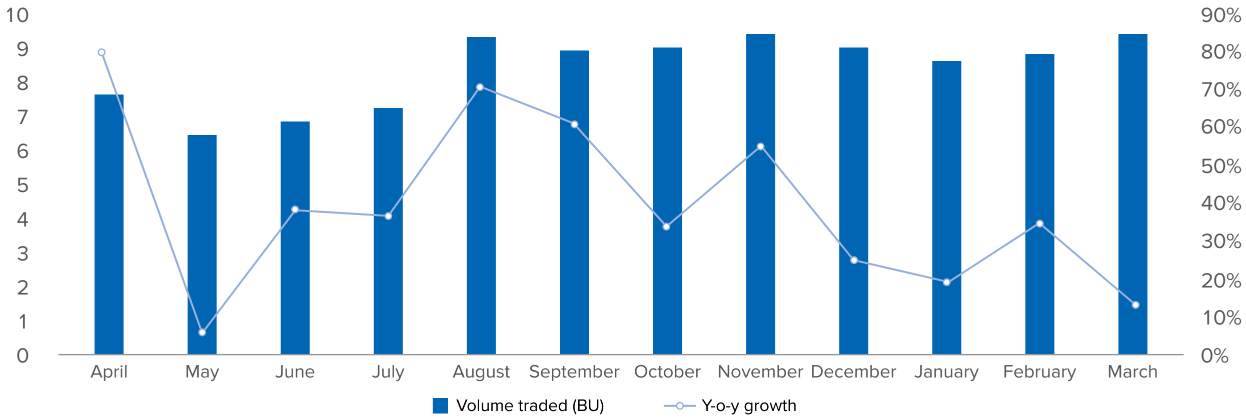
Power Exchanges

A power exchange is a platform on which power is traded. It is a system that enables power purchases through bids to buy and sales through offers to sell. All major developed economies have a vibrant power exchange economy. At present, there are two power exchanges in India, the India Energy Exchange (IEX) and the Power Exchange India Limited (PXIL). They facilitate easy access to power and market-based price discovery.

While the share of spot power markets in India at present is in low, single digits, the government intends to expand this share to 25% by 2023-24. In this sense, the previous fiscal was a significant year as the energy traded through the IEX grew to 101 BU, a y-o-y expansion of 37%. The growth was specifically accelerated by the shortage of coal that compelled the consumers to resort to energy exchanges. The peak prices in September and October reached ₹7.1/kWh and 11.1/kWh, almost triple the average peak prices that typically range between ₹3 and 4 per KWh.

CHART 12: MONTH-ON-MONTH ELECTRICITY VOLUME TRADED AND YEAR ON YEAR GROWTH AT IEX

Power traded through the energy exchange has grown significantly in the previous fiscal



BRAZIL

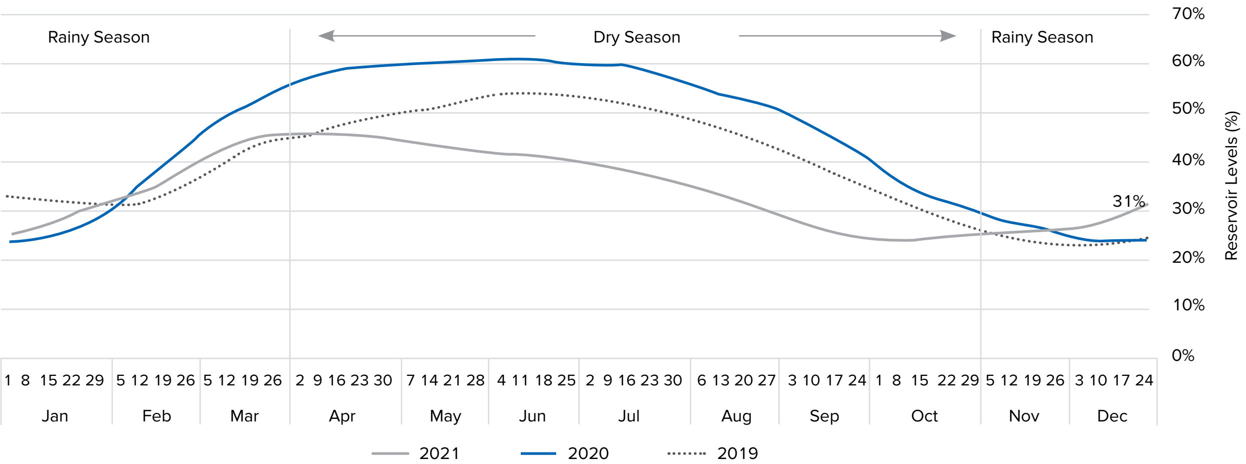
Overview

FY22 was a difficult year for the Brazilian economy as well as the energy sector. The economy battled with the second wave of pandemic, the ensuing double-digit inflation, and subsequent hikes in the interest rates. The country also faced the worst hydrological crisis since the last 90 years, resulting in decreasing reservoir levels, power rationing and hike in electricity charges in some regions. At present, over 65% of the installed capacity is hydro. This high dependence on rainfall has created an immediate need to diversify electricity production.

The National Energy Plan has been designed in cognisance of this and seeks to expand production through biomass, wind, solar, natural gas, cold and nuclear energy. It has targeted 45% renewable capacity by 2050. As per the Decennial Energy Expansion Plan, the Ministry envisages an investment of around BRL182 billion (US$37 billon) for the expansion of the generation capacity. The generation mix will be predominated by thermoelectric plants, comprising 60% of the total capacity. In addition, Brazil is on the verge of finalising the framework for offshore wind and is also eyeing the global green hydrogen market, signifying a strong commitment to bring a change in the energy mix.

CHART 13: RESERVOIR LEVEL IN BRAZIL IN 2021 VS 2020 AND 2019

Brazil faced the worst hydrological crisis in last 90 years during the dry season



Transmission

The shift in the energy mix envisaged in Brazil is expected to catalyse the build out of a complementing transmission network. The transmission system is expected to increase from 1,75,200 km of lines to 2,08,900 km and from 4,21,900 MVA to 5,39,000 MVA in transformation capacity between 2022 and 2031 as per the Decennial Energy Expansion Plan approved by the Ministry. It has also highlighted the challenge of country's aging electricity system infrastructure and the need to replace it. By 2031, BRL56 billion (US$11 billion) has been forecasted to be needed in assets at the end of their regulatory useful life.

In a separate development, Brazilian energy agency EPE has also announced its plans to complete 85 transmission projects by 2033, specifically in the southeast and south regions of the country, focusing on the states of Minas Gerais, Paraná, Santa Catarina and Rio Grande do Sul. BRL30.8 billion has been estimated to be invested by 2031 in these works. The regulator has also indicated that at least 2 auctions for transmission shall be held every year till 2024, signifying a robust pipeline for developers.

The two transmission auctions scheduled for June 2022 and December 2022 are expected to attract investments worth BRL11 billion (US$4 billion), 160% more as compared to 2021. The first auction to be held in June 2022 will offer a total of 4,810 km of transmission lines and 6,030 MVA of transformer capacity to be installed, which will generate an investment worth about BRL8 billion (US$1.46 billion). The auctions to be held in 2023 are expected to have an even stronger pipeline.

The success of the auctions held in the previous fiscal, despite the challenges posed by the pandemic and the economy is a testament to the confidence of the investors in the Brazilian ecosystem. The developers have continued with their strategy of capital recycling as several transmission assets have been flipped in the previous fiscal with a steady number of investors willing to buy these assets. This further emphasizes the robustness of the transmission asset landscape in Brazil.

19%

Growth in transmission line length expected up to 2031

25%

Growth in transformation capacity expected up to 2031

ENABLERS FOR INVESTMENT IN TRANSMISSION

GROWING MOMENTUM FOR RENEWABLES

The discourse on adoption of cleaner fuels has strengthened more than ever. To combat climate change, countries have set ambitious targets to transform their energy mix. For instance, UK and US target to become net zero by 2050, India aims to base 40% installed capacity from non-fossil fuel by 2030. As the location for power generation becomes geographically further diverse, there is an innate need to develop a robust grid to transport energy to the centres of consumption.

THE PUSH FOR ATMANIRBHAR BHARAT AND THE PULL FROM INCREASING DEMAND

The demand for electricity in India is set to outpace the world up to 2030. As the per capita income of the country increases, the depth of access to electronic equipment in India will follow, thereby diversifying the centres of extensive power consumption. Additionally, the industrialisation expected to result from the Government's push promote indigenous manufacturing and production will further propel growth. Investment in greenfield and brownfield transmission projects will become imperative to support this demand

CROSS-BORDER INTERCONNECTION

The difference in time-zones and the resultant time-difference in peak power demand across geographies gives rise to a unique opportunity of power trade across boundaries. Power can be supplied from nations witnessing lower demand load at a given time to nations that are power deficient as the demand peaks during the day. Cross country transmission lines will need to be build to support this cross-country power trade. Intercontinental grids, such as the one envisaged under India's One Sun, One World, One Grid initiative shall be necessary to fully harness the solar capacity across borders. International Solar Alliance.

DIVERSIFYING END USES OF ELECTRICITY

The push for clean energy does not singularly entail the shift to cleaner power generation for electricity. It is being further augmented by electrification of transportation. The switch to Electrical Vehicles or EVs is bound to create a further fillip for investment in power grids to make them more resilient. In addition to EVs, electrification of cooking, heating, heavy machinery and equipment will further augment this demand. As this enhances pressure on the grid network of densely populated cities, upgrade and uprate of existing grid infrastructure would be necessary to save on space.

GRID UPGRADES FOR AGEING INFRASTRUCTURE

Grid black out, a phenomenon that has become more frequent in the recent years is a consequence of ageing transmission infrastructure - an infrastructure that is not designed to up take the increasing demand and the erratic nature of supply that gets absorbed in the system because of connecting intermittent sources of supply such as wind and solar. Thus, making a case for investment in grid upgrades. Developed countries globally require upgradation of their ageing grid infrastructure. As per BNEF, of the US$14 trillion envisaged in grid investment up to 2050, 41% or US$5.8 trillion, is sustainment capital to replace ageing assets.

INCREASING SCOPE FOR PRIVATE PARTICIPATION IN TRANSMISSION

State owned utilities continue to own and operate transmission in several developing countries. As these countries prepare for 100% electrification and adoption of RE targets, they require large investments that will make PPP critical to facilitate private investment. Consequentially, several nations are proposing PPP in transmission, opening more markets for private players. Additionally, existing PPP markets such as Peru and Chile have a pipeline of ~US$1 billion and US$3.2 billion up to 2026 resp.

In the US, a renewed push for grid investments is evident. The regime has committed US$100 billion for investment in grids and clean energy delivery.

INCREASING IMPETUS ON DIGITAL ECONOMY

With the enhanced push for digitisation, there is an innate need for data connectivity across the country. The MBiT report released by Nokia, projects data traffic in India to grow nearly 60 times in 5 years. This creates the case for creation of a dense optical fiber network. For a country like India where the population density is high and RoW issues severe, transmission assets can be uniquely leveraged to transmit data using the OPGW fibers on them.

REFORMS FOR INTRA-STATE TRANSMISSION IN INDIA

The government's push for rural electrification and the consumer switch from sources such as diesel generators and other alternate sources will create an additional case for investment in intra-state transmission lines. Additionally, grid upgrades are necessary to combat high transmission losses to ensure efficient energy delivery. The impetus for 24X7 un-interrupted power delivery is likely to create an additional case for such investment.

PERFORMANCE OVERVIEW

During FY20, the Company secured 3 new transmission projects in India under TBCB route, with a cumulative capex value of ~₹56,000 million (US$759 million). The Company won 30% of market share of the projects bid during the period. The global infrastructure business continues to maintain its leadership position in ensuring on time project execution within budgeted cost. Leadership in leveraging technology, ability to attract rich talent, cost competitiveness has been instrumental in driving the growth strategy of the Company. This year the Company commissioned its first project in Brazil, Arcoverde Transmissao De Energia S.A, 28 months ahead of schedule.

Profitability has been the key focus for the Company. During FY22, Sterlite Power sold balance 26% stake in commissioned project i.e. NER-II Transmission limited to India Grid Trust and recorded a gain on sale of ₹7,032 million (US$96 million). The capital generated through these monetisation activities is used for reinvesting in under-construction projects in India.

FINANCIAL PERFORMANCE:

Our consolidated income for FY22 was at ₹59,946 million (US$ 789 million), a 57% increase from ₹38,170 million (US$522 million) in FY21. The Company's consolidated EBITDA was ₹13,538 million (US$178 million) in FY22, a 25% decrease from ₹17,932 million (US$245 million) in FY21. Our consolidated profit was ₹4,401 million (US$58 million) in FY21 compared to profit of ₹8,698 million (US$119 million). The profit was mainly driven by profit on sale of commissioned assets in India. Consolidated Net worth improved to ₹16,988 million (US$224 million) in FY22, compared to ₹10,966 million (US$150 million) in FY21.

EMPLOYEES

- We have world-class talent with diverse experience and are continuously working on creating a dynamic environment to keep our diverse workforce engaged. While our current Gender Diversity is at around 13%, we also have a diverse population of workforce coming from multiple industry segments ranging from but not limited to FMCG, Defence, Banking, Non-Banking Financial Company (NBFCs), Manufacturing, Aviation, etc.

- Our contemporary people processes help us put the right talent in the right roles at the right time and it is one of the differentiators that keep Sterlite Power in front. While we continue using our established processes and trusted sources to acquire the best talent from the industry, a razor-sharp focus is also on grooming the in-house talent and preparing them to succeed as the future leaders. Our robust and continuous talent review process help us to identify the right talents who then undergo bespoke development interventions in line with business strategy of the organisation. Internal mobility of 45% is testimony to our superior talent development processes helping to ensure we are able to replace key talent internally.

- With the stated objective of digitising the HR processes to enhance the employee experience, we have digitised the learning process so that learning is delivered efficiently and conveniently so that employees can have personalised learning experiences available to them, from anywhere and at any convenient time.

- Past few years have been tough but we have done well to limit the impact of COVID-19 on employee health by swiftly putting together a Business Continuity Plan for all employees that outlined 100% work-from-home guidelines for office employees and clear safety protocols for on-site employees.

- Linking Talent to Value initiatives has helped mobilise the organisation by focusing on top 2% roles that deliver 80% of the value agenda. We continue to focus on critical talent and subsequently building talent pipeline, ensuring an optimum balance of skill set vis-à-vis business demand.

RISK MITIGATION

Internal Financial Controls

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company had documented a comprehensive Internal Control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with the policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. The formalised system of control facilitates effective compliance as per relevant provisions of the Companies Act, 2013 and other applicable Law(s).

To maintain its objectivity and independence, the Internal Audit function reports to the Board of Directors. The Internal Audit function monitors and evaluates the efficacy and adequacy of Internal Control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations, if any and corrective actions thereon are presented to the Board. The Board of Directors regularly reviews the observation of the Statutory Auditors on the financial statements, including financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of internal controls and systems followed by the Company.

Business Risk Management

Risk can be viewed as a combination of the probability of an event occurring, the impact of its consequence and the current mitigation effectiveness. Events with a negative impact represent risks that can prevent value creation or erode existing value.

The Board has constituted a Risk Management Committee comprising of Ms. Haixia Zhao, Independent Director as Chairperson of the Committee, Mr. A.R. Narayanaswamy and Mr. Pratik Pravin Agarwal as Members, to review, identify, evaluate and monitor both business and non-business related risks and take requisite action to mitigate the same through a properly defined framework.

The Company has framed a Risk Management Policy to identify and assess the risk areas, monitor and report compliance and effectiveness of the policy. Copy of the Risk Management policy is also available on the website of the Company at www.sterlitepower.com. A detailed exercise is being carried out to identify, evaluate, manage and monitor both business and non-business risks. The policy seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

Disclosure Regarding Risk Control

As a result of its businesses and the global nature of its operations, the Company is exposed in particular to market risks from changes in foreign currency exchange rates and interest rates, while commodity price risks arise from procurement. The Company has established internal guidelines for risk controlling procedures and for the use of financial instruments, including a clear segregation of duties with regard to financial activities, settlement, accounting and the related controlling. The guidelines upon which the Company's risk management processes for financial risks are based are designed to identify and analyse these risks throughout the Company, to set appropriate risk limits and controls and to monitor the risks by means of reliable and up-to-date administrative and information systems.

Directors' Report

To,
The Members/Shareholders,
Sterlite Power Transmission Limited

Your Directors are pleased to present the 7th Annual Report on the business and operations of the Company along with the audited financial statements of the Company for the financial year ended March 31, 2022 **(FY2022)**.

1. FINANCIAL SUMMARY/HIGHLIGHTS

The financial performance of the Company for FY2022, is summarized below:

(₹ Million)

Summary of Key Financial Parameters	Standalone		Consolidated	
Description	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue from operations	37,973.84	29,338.52	51,974.83	20,923.91
EBITDA	**3,655.15**	**5,895.25**	**13,538.29**	**17,932.15**
Less: Finance cost (net of finance income)	270.28	2,886.24	3,372.16	5,356.68
Less: Depreciation/Amortisation/Impairment Expense	390.65	425.48	803.56	988.15
Share of Profit/ (loss) of Associate	-	-	(2,675.60)	5.75
Exceptional item	(117.00)	-	(117.00)	-
Profit Before Tax (PBT)	**2,877.22**	**2,583.53**	**6,569.97**	**11,593.07**
Less: Tax expense	411.43	(1,045.71)	2,168.55	2,895.33
Profit After Tax (PAT) (A)	**2,465.78**	**3,629.24**	**4,401.42**	**8,697.74**
Other Comprehensive Income/ (loss) (OCI) (B)	3,413.39	(2,774.18)	5,218.15	1,521.37
Total Comprehensive Income/ (loss) (A+B)	**5,879.18**	**855.06**	**9,619.57**	**10,219.11**

2. PERFORMANCE

Standalone	Consolidated
FY2022 closed with Revenues of ₹ 37,973.84 million, EBITDA of ₹ 3,655.15 million, PAT of ₹ 2,465.78 million.	FY2022 closed with Revenues of ₹ 51,974.83 million, EBITDA of ₹ 13,538.29 million, PAT of ₹ 4,401.42 million.

3. BUSINESS OPERATIONS

Highlights of your Company's operations and state of affairs for the FY2022, including the Management Discussion and Analysis Report, capturing your Company's performance, industry trends and other material changes with respect to your Company and its subsidiaries, wherever applicable, forms part of this Annual Report.

4. KEY EVENTS DURING FY2022

(i) Approval of Draft Red Herring Prospectus

In order to fund the growth strategy/plans of the Company, the Company initiated the process of launching an Initial Public Offer through a fresh issuance of the equity shares of face value of ₹ 2/- each; and to list the equity shares on one or more of the recognised Stock Exchanges in India for an issue size of ₹ 12,500 million (hereinafter referred to as an "**Issue**"). The Board of directors and the Members/Shareholders accorded their approval for the Issue on July 02, 2021 and August 01, 2021, respectively. Post approval of the Board of directors and Members/Shareholders, the Draft Offer document was filed with Securities and Exchange Board of India ("**SEBI**") on August 16, 2021, and the final observations of SEBI on the Draft Offer document have been received vide its Letter dated December 02, 2021.

(ii) Merger of Sterlite Grid 4 Limited- wholly owned subsidiary, with the Company

The Company entered into a scheme of amalgamation with Sterlite Grid 4 Limited (**"SGL4"**)- wholly owned subsidiary, and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, which was sanctioned by the National Company Law Tribunal, Mumbai Bench ("**NCLT**") by way of its order dated February 17, 2022 (the "**Merger Scheme**"). The Merger Scheme provided for, amongst other things, the amalgamation and vesting of the assets, liabilities, and entire business of SGL4, with the Company, on a going concern basis. The order of NCLT was filed with the Registrar of Companies, Pune and the Merger Scheme became effective from March 14, 2022.

(iii) Disinvestment in IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)

The Company had entered into a 'Share Subscription and Purchase Agreement' with Electron IM Pte. Ltd ("**Electron**") to disinvest its stake in IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) ("**IIML**"). Pursuant to the said agreement the Company had diluted 60% of its stake in IIML till March 31, 2019 in the following manner:

i. IIML had issued and allotted equity shares representing 19.99% of the share capital of IIML to Electron, an affiliate of KKR & Co.

ii. Further, the Company had sold equity shares representing 40.01% of the share capital of IIML to Electron.

iii. With the consummation of the above transactions the Company held 40% stake in IIML as compared to 100% stake on March 31, 2019.

Transactions during the year under review

iv. The Company sold investment to the extent of 14% for a consideration of ₹ 109.96 million on July 02, 2021.

v. The Company has executed an amendment agreement to 'Share Subscription and Purchase Agreement' and pursuant to such amendment agreement, the Company sold its remaining stake of 26% in IIML for consideration of ₹ 250.00 million on January 14, 2022.

vi. As on March 31, 2022, the Company did not hold any share in IIML.

(iv) Status of holding units in India Grid Trust

The Company was one of the two Sponsors of India Grid Trust (**"Trust"**) and held Units in the Trust. The details of the holding of the Company in the Trust and subsequent sale thereof, during the year under review, is as under:

Particulars	Number of Units held	% shareholding
Opening balance as on March 31, 2021	20,40,457	0.35
Rights Issue allotment on April 22, 2021	4,06,539	0.35
Sold during the year under review	24,46,996	0.35
Closing balance as on March 31, 2022	**0**	**0**

(v) Introduction of AMP Capital as investment partners

During the year 2020-21, the Company had entered into a framework agreement with AMP Capital ("**AMP Capital Framework Agreement**") for the development of four of the ongoing power transmission projects of the Company in India. Pursuant to the AMP Capital Framework Agreement read with the investment agreements executed inter-alia between the Company, AMP Capital and the project - Special Purpose Vehicles ("**AMP Capital Investment Agreements**"), the Company and AMP Capital had agreed to invest in the immediate holding company of four projects - Special Purpose Vehicles; being Sterlite Grid 13 Limited ('SGL13'), Sterlite Grid 14 Limited('SGL14'), Sterlite Grid 18 Limited ('SGL18') and Sterlite Grid 29 Limited ('SGL29') (which were wholly owned subsidiaries of the Company prior to the investments made in terms of the AMP Capital Investment Agreements and the AMP Capital Framework Agreement); in a manner wherein the Company and AMP Capital each are now owning 50% of the equity capital of these companies.

These companies are engaged in the business of developing, constructing, owning, operating and maintaining power transmission systems and providing project management services in relation to power transmission systems in India.

Pursuant to the above arrangement, during the year under review, AMP Capital had invested in 50% of the paid-up equity share capital of Sterlite Grid 14 Limited, Sterlite Grid 18 Limited and Sterlite Grid 29 Limited on April 06, 2021. As on March 31, 2022, the Company and AMP Capital had a joint ownership of 50% each in SGL13, SGL14, SGL18 & SGL29; and indirectly held 50% in their respective subsidiaries - namely SGL13 & Mumbai Urja Marg Limited (formerly known as Vapi II North-Lakhimpur Transmission Limited), SGL14 & Udupi Kasargode Transmission Limited, SGL18 & Lakadia-Vadodara Transmission Project Limited and SGL29 & Goa-Tamnar Transmission Project Limited.

(vi) Acquisition of Nangalbibra - Bongaigaon Transmission Limited

The Company through its wholly owned subsidiary Sterlite Grid 26 Limited on December 16, 2021, had acquired Nangalbibra-Bongaigaon Transmission Limited, a Special Purpose Vehicle (**"SPV"**) from PFC Consulting Limited. Through this SPV, the Company is executing a transmission Project for setting up Transmission System that will transmit over 1,000 MW of power from Assam to western parts of Meghalaya, which was won through a tariff-based competitive bidding process, under the Build, Own, Operate and Maintain model.

(vii) Acquisition of stake in Maharashtra Transmission Communication Infrastructure Limited

Pursuant to the Share purchase agreement ('SPA') dated March 29, 2022, executed between the Company, Sterlite Technologies Limited ('STL'), Maharashtra State Electricity Transmission Company Limited ('MSETCL') and Maharashtra Transmission Communication Infrastructure Limited ('MTCIL'), the Company has purchased 51% stake, on fully diluted basis in MTCIL from STL for an agreed consideration of ₹ 430 million. Further, as on March 31, 2022, the effective equity shareholding in MTCIL stands at 64.98%.

As on the date of this report, MTCIL is a Joint Venture (51:49) between the Company (51%) and MSETCL (49%), to develop 48F Optical Power Ground Wire (OPGW) based optical fibre network riding over MSETCL's EHV transmission infrastructure in the State of Maharashtra in India, connecting major cities like Navi Mumbai, Pune, Nasik, Nagpur, Aurangabad, Kolhapur and several other cities, semi-urban and rural areas.

(viii) **Disinvestment in NER II Transmission Limited**

In the year FY2020-21, the Company entered into a marquee deal with India Grid Trust for sale of its commissioned projects thereby transferring NER II Transmission Limited (**"NER II"**) to India Grid Trust. Pursuant to the above arrangement, the Company had sold 74% of beneficial ownership in NER-II Transmission Limited to India Grid Trust in March'2021.

During the year under review, the Company sold remaining 26% beneficial ownership in NER-II Transmission Limited to India Grid Trust.

5. IMPACT OF COVID-19

Your Company continues to take efforts to fight waves of the COVID-19 pandemic, the Company's priority remains the safety and well being of employees, and business continuity.

During the covid times, we revamped the office infrastructure to provide touchless accessibility to comply with the COVID-19 norms and implemented protocols in line with State and National Guidelines. Several sessions were conducted to create awareness among employees for managing infections. Special Covid Task Force team was created to fight the COVID-19 situation and support employees in all possible ways.

As an Organisation we tried to take care of physical, financial and emotional wellbeing of the employees during the first and second wave. Various changes in policies were made to support employees during these tough times.

Your Company was among the first companies to announce work from home. Quarantine leaves of 14 days were introduced for the employees suffering from COVID-19 to ensure they can take proper rest and recover without having loss of pay. Reimbursement policy for COVID-19 test was introduced. Also, provision for financial assistance through advance salary was made, to take care of financial needs of employees in case of any emergency.

During first and second wave, the situation in hospitals was critical and employees were forced to be quarantined at home. Considering this, we introduced coverage for home quarantine in Group Medical Policy. Apart from normal coverage, we facilitated top-up plan for employees who may want to enhance their medical cover limits at a very nominal rate. We also engaged Ekincare to ensure employees can get 24*7 online doctor consultations along with medical support for home quarantine for mild cases.

We tried to build psychological and financial resilience by conducting live sessions by experts on managing stress and enhancing financial wellness during these tough times. Under EAP program we engaged the services of Santulan which provided 24*7 telephonic e-counselling to the employees of the Company.

Further, in the endeavors for the employee safety, we facilitated Company-sponsored vaccination drives at the projects, plant sites and various offices of the Company. As on the date of this report, all employees are fully vaccinated. The Company also took initiatives to help the families of the employees/ workers who lost their lives to COVID-19. With the rise in COVID-19 cases in recent times, the necessary steps are being taken for Booster/Precautionary vaccination for employees.

Currently, all the facilities of the Company are operating and at the corporate offices we are operating with a hybrid model.

6. DIRECTORS

The Board of Directors of the Company is validly constituted and as on March 31, 2022, comprised of 5 Directors:

Sr. No.	Name of the director(s)	Designation	Category
1.	Mr. Pravin Agarwal	Chairman	Non-Executive
2.	Mr. A.R. Narayanaswamy	Independent Director	Non-Executive
3.	Mr. Anoop Seth	Independent Director	Non-Executive
4.	Mr. Pratik Pravin Agarwal	Managing Director	Executive
5.	Mr. Manish Agrawal	Whole Time Director (Additional Director)	Executive

Note 1: Ms. Kamaljeet Kaur was appointed as a Whole Time Director (Additional Director) of the Company w.e.f. June 29, 2022. Detailed disclosure is included in **"Additional Disclosures"** *under Point b.*

Note 2: Ms. Haixia Zhao ceased to be an Independent Director w.e.f. March 31, 2022.

Changes in Directorships during the year under review are as under:

a. Mr. Arun Lalchand Todarwal, ceased to be an Independent Director of the Company effective July 24, 2021, due to completion of his tenure of 5 years. Your Directors' place on record their appreciation for the valuable contribution made by Mr. Todarwal during his tenure as director of the Company.

b. Mr. Manish Agrawal was appointed as an Additional Director (Executive, Professional) effective December 17, 2021, upon the recommendation of the Nomination and Remuneration Committee. He was also appointed as a Whole Time Director, for one year up to December 16, 2022, and is holding such office up to the date of 7th Annual General Meeting of the Company and will be regularised as Whole Time Director w.e.f. December 17, 2021, subject to approval of Members/Shareholders in the ensuing Annual General Meeting.

c. Mr. Pravin Agarwal, Chairman being a director liable to retire by rotation, and being eligible, was re-appointed as a director liable to retire by rotation in the Annual General Meeting held on September 29, 2021.

d. Mr. Pratik Pravin Agarwal, Managing Director, will retire by rotation at the ensuing Annual General Meeting ("**AGM**") and being eligible, offers himself for re-appointment, pursuant to Section 149, read with Section 152 of the Companies Act, 2013. The Board recommends his re-appointment. Details of the aforesaid proposal for re-appointment of Mr. Pratik Pravin Agarwal are provided in the Annexure to the Notice of the AGM. Mr. Pratik Pravin Agarwal, Managing Director, was re-appointed as the Managing Director of the Company for a period of three (3) years commencing from June 01, 2021. The Members/Shareholders had approved the said re-appointment in their meeting held on December 31, 2020.

e. Ms. Zhao Haixia, Independent Director of the Company ceased to be a Director of the Company on March 31, 2022, pursuant to her resignation due to her pre-occupations. Your Directors' placed on record their appreciation for the valuable contribution made by Ms. Haixia during her tenure as director of the Company

f. Except as mentioned above, there was no other change in the Board of Directors of the Company during FY 22.

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013. The Independent Directors of the Company have also registered themselves in the data bank with the Indian Institute of Corporate Affairs and confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity. Further, the Independent Directors also confirmed that they are independent of the Management of the Company.

7. COMPOSITION OF BOARD COMMITTEES

Details of the composition, terms of reference and meetings held during the year of all the Committees of the Board are given in the Corporate Governance Report, which forms a part of this Directors' Report as **Annexure A**. The Board of directors has accepted all the recommendations of the Committees, during FY2022.

8. CORPORATE SOCIAL RESPONSIBILITY

The Board has constituted a Corporate Social Responsibility Committee (**"CSR Committee"**) which comprises of Mr. Pravin Agarwal - Chairman and non-executive Director, Mr. Pratik Pravin Agarwal - Managing Director, Mr. A.R. Narayanaswamy - Independent Director, as Members of the Committee as on March 31, 2022. Mr. Arun Todarwal, Independent Director and former Chairman and Ms. Haixia Zhao, Member of the Committee ceased to be a member of the Committee on July 24, 2021, and March 31, 2022, respectively.

The Board has also approved a CSR policy, which is available on the website of the Company at www.sterlitepower.com.

During the year under review, the Company was not required to spend on CSR Activities covered under Schedule VII of the Act due to losses. However, the Company had spent ₹ 3,32,09,950/- on the CSR activities during the period under review. Pursuant to the amended provisions, the Company may carry forward and set off such amount against the liabilities. The Annual Report on CSR activities pursuant to Section 135 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, is enclosed as Annexure G to this Report.

9. MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 15 (Fifteen) meetings of the Board of Directors were held. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013 (hereinafter also referred to as **"the Act"**) and Secretarial Standard 1 on Board meetings issued by the Institute of Company Secretaries of India read with MCA circulars, as issued from time to time. The dates on which these meetings were held are May 04, 2021, May 10, 2021, May 21, 2021, June 14, 2021, June 22, 2021, July 02, 2021, August 07, 2021, August 30, 2021, September 24, 2021, November 16, 2021, December 17, 2021, February 03, 2022, February 11, 2022, March 14, 2022, and March 30, 2022. Owing to the COVID-19 restrictions, except meeting held on March 30, 2022, all the board meetings were held through, audio-visual facility.

The composition of the Board and other details are provided in Corporate Governance Report which forms part of this Annual Report as **Annexure A**.

10. KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Act, and the Rules made thereunder, following were the Key Managerial Personnel of the Company as on March 31, 2022:

Sr. No	Name	Designation	Date of Appointment
1.	Mr. Pratik Pravin Agarwal[1]	Managing Director	June 01, 2016[1]
2.	Mr. Manish Agrawal	Whole Time Director (Additional Director)	December 17, 2021
3.	Mr. Sanjeev Bhatia	Chief Financial Officer	October 01, 2021
4.	Mr. Ashok Ganesan	Company Secretary	May 29, 2017

[1]Mr. Pratik Pravin Agarwal was re-appointed as Managing Director from June 01, 2021.

Note: Ms. Kamaljeet Kaur was appointed as the Whole Time Director (Additional Director) of the Company w.e.f. June 29, 2022.

Changes in Key Managerial Personnel during FY2022 are as under:

a. During the year under review, Mr. Anuraag Srivastava resigned from the post of Chief Financial Officer w.e.f. September 30, 2021.

b. During the year under review, Mr. Sanjeev Bhatia was appointed as Chief Financial Officer w.e.f October 01, 2021.

c. Mr. Pratik Pravin Agarwal, Managing Director, was re-appointed as the Managing Director of the Company for a period of three (3) years commencing from June 01, 2021. The Members/Shareholders had approved the said re-appointment in their meeting held on December 31, 2020.

d. Mr. Manish Agrawal was appointed as an Additional Director (Executive, Professional) effective December 17, 2021, upon the recommendation of the Nomination and Remuneration Committee. He was also appointed as a Whole Time Director, for one year up to December 16, 2022, and is holding such office up to the date of 7th Annual General Meeting of the Company and will be regularised as Whole Time Director w.e.f. December 17, 2021, subject to approval of Members/Shareholders in the ensuing Annual General Meeting.

11. AUDITORS AND AUDITORS' REPORT

(a) Statutory Auditors

M/s. S R B C & Co. LLP, Chartered Accountants were appointed as Statutory Auditors of the Company from the conclusion of 6th Annual General Meeting held on September 29, 2021, for a period of 4 years up to the conclusion of 10th Annual General Meeting to be held for FY2025.

Based on internal analysis of M/s. S R B C & Co. LLP, the total maximum period which can be served by an auditor for an entity where rotation is applicable, is 10 years. In light of the aforesaid, as M/s. S R B C & Co. LLP were appointed as the first statutory auditors by the Board of directors under Section 139(6) of the Companies Act, 2013, such period is considered for computation of maximum period of 10 years. Therefore, an audit firm can be appointed or re-appointed by the Members/Shareholders of a company in the subsequent AGM for the first term of 5 consecutive years and thereafter can be re-appointed for a second term of 4 consecutive years so that overall period served including appointment under section 139 (6) cannot exceed 10 years.

The Statutory Auditors Report does not contain any qualification or adverse remark hence does not require any clarification or explanation of the Board.

(b) Secretarial Auditors

Pursuant to Section 204 of the Act, M/s. DMK Associates, Practising Company Secretaries, were appointed to conduct the Secretarial Audit of the Company, for the financial year ended March 31, 2022. The Report of the Secretarial Auditors is annexed as **Annexure-E** to this Report. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

(c) Cost Auditors

The Company is required to make and maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act. Accordingly, the Company has been making and maintaining the records as required.

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its power products are required to be audited. Mr. Kiran Chand Naik, Cost Accountant, was appointed as the Cost Auditor to audit the cost accounts of the Company for FY2022. The Cost Audit Report for FY2022 has been concluded. The Cost Audit Report does not contain any qualification, reservation, or adverse remark

Further, Mr. Kiran Chand Naik (FRN 103055) has also been appointed as the Cost Auditor for FY23, and he has confirmed that his appointment is within the prescribed limits. As required by the provisions of the Act, a resolution seeking approval of the Members/Shareholders for the remuneration payable to Mr. Kiran Naik, Cost Auditor is included in the Notice convening the ensuing AGM.

12. CHANGES IN SHARE CAPITAL

Pursuant to the approval of Scheme of Amalgamation of Sterlite Grid 4 Limited- wholly owned subsidiary with the Company and their respective Shareholders by Hon'ble National Company Law Tribunal, Mumbai Bench, the authorised share capital of the Company was altered from the effective date of merger i.e. March 14, 2022, as per below mentioned details:

Type of capital	Previous capital structure		Revised capital structure	
	No. of shares	Amount (In ₹)	No. of shares	Amount (In ₹)
Equity shares	6,38,00,00,000	12,76,00,00,000	6,38,02,50,000	12,76,05,00,000
Optionally Convertible Redeemable Preference Shares	47,00,00,000	4,70,00,00,000	47,00,00,000	4,70,00,00,000
Redeemable Preference Shares	3,64,00,000	7,28,00,000	3,64,00,000	7,28,00,000
Total		**17,53,28,00,000**		**17,53,33,00,000**

The issued, subscribed, and paid-up share capital of the Company remain unchanged. As on March 31, 2022, the issued, subscribed, and paid-up share capital was as per details given below:

Type of capital	Capital structure as on March 31, 2022	
	No. of shares	Amount (In ₹)
Equity shares	6,11,81,902	12,23,63,804
Total	**6,11,81,902**	**12,23,63,804**

13. FRAMEWORK FOR THE PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS

The Board of Directors of the Company is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee has established processes for performance evaluation of Independent Directors, the Board and the Committees of the Board. Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, performance of its Committees as well as the directors individually (including the Chairman and Independent Directors). Details of the evaluation mechanism are provided in the Corporate Governance Report enclosed as **Annexure A** to this Report.

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration (**'NRC Policy'**). The NRC Policy of the Company includes criteria for determining qualifications, positive attributes and independence of a director and policy relating to the remuneration of Directors, Key Managerial Personnel and other employees and is framed with the object of attracting, retaining and motivating talent which is required to run the Company successfully. The Policy can also be accessed on Company's website at www.sterlitepower.com

Further, the Policy on Board Diversity also forms part of the NRC Policy of the Company and can be accessed at Company's website at www.sterlitepower.com

14. INTERNAL FINANCIAL CONTROLS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company had documented a comprehensive Internal Control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with the policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources. The formalised system of control facilitates effective compliance as per relevant provisions of the Companies Act, 2013 and other applicable Law(s).

To maintain its objectivity and independence, the Internal Audit function reports to the Audit Committee. The Internal Audit function monitors and evaluates the efficacy and adequacy of Internal Control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations, if any and corrective actions thereon are presented to the Board. The Audit Committee regularly reviews the suggestions/observations of the Statutory Auditors on the financial statements, including financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of internal controls and systems followed by the Company.

15. BUSINESS RISK MANAGEMENT

Risk can be viewed as a combination of the probability of an event occurring, the impact of its consequence and the current mitigation effectiveness. Events with a negative impact represent risks that can prevent value creation or erode existing value.

The Board has constituted a Risk Management Committee comprising of Mr. A.R. Narayanaswamy and Mr. Pratik Pravin Agarwal as Members as on March 31, 2022, to review, identify, evaluate and monitor both business and non-business-related risks and take requisite action to mitigate the same through a properly defined framework.

The Company has framed a Risk Management Policy to identify and assess the risk areas, monitor and report compliance and effectiveness of the policy. Copy of the Risk Management policy is available on the website of the Company at www.sterlitepower.com. A detailed exercise is being carried out regularly to identify, evaluate, manage and monitor both business and non-business risks. The policy seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. The Risk Management Policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

16. LEGAL COMPLIANCES MANAGEMENT

The Compliance function independently tracks, reviews and ensures compliance with Regulatory and Statutory Laws and promotes compliance culture in the Company. We track and monitor compliance details on compliance portal which is updated on a timely manner. The compliance report is also provided independently to senior management by the compliance function. The compliance portal is a software which facilitates in operating an effective compliance management system that allows for keen monitoring of the compliance status with respect to applicable laws and regulations and keeps the Board informed in case of any amendments in existing laws and regulations. The portal also provides a robust governance structure and a streamlined reporting system that ensures cohesive compliance reporting to the Board. The compliance certificate is presented to the Board on a quarterly basis. The compliance certificates are presented by the Compliance Department and independently reviewed by Senior Management, allowing for robust and effective oversight across compliance practices.

17. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The details of Vigil Mechanism/ Whistle Blower Policy have been disclosed in the Corporate Governance Report which forms part of the Directors Report as **Annexure A**.

18. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

Issue of Bonus Shares

Pursuant to the provisions of Section 63 of the Companies Act, 2013 and other applicable provisions, if any, including Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with Articles of Association of the Company and subject to the approval of the Members/ Shareholders of the Company and also subject to such consents and approvals as may be required from the appropriate authorities/Government, your directors propose to capitalize a sum of ₹ 12,23,63,804 (Indian Rupees Twelve Crores Twenty-Three Lakhs Sixty-Three Thousand Eight Hundred Four only) out of free reserves, securities premium account and/ or capital redemption reserve account (except the reserves created by revaluation of assets), by issue and allotment of 6,11,81,902 (Six Crores Eleven Lakhs Eighty-One Thousand Nine Hundred Two) fully paid-up equity shares of face value of ₹ 2/- each as bonus shares ("**Bonus Shares**") to the holders of existing fully paid-up equity shares of face value of ₹ 2/- each of the Company, whose names will appear in the Register of Members / Beneficial Owners' Position of the Company as on Record date ("**Record Date**"), as fixed by the Board of Directors for this purpose, in the proportion of 1:1, that is 1 (One) new bonus equity share of ₹ 2/- each for every 1 (One) existing fully paid-up equity share of ₹ 2/- each held by the existing shareholders, and the Bonus Shares so allotted shall be treated as an increase in the paid up equity share capital of the Company held by each such member and not as income in lieu of dividend. The Bonus Shares if issued and allotted shall rank pari-passu in all respects with existing equity shares and carry the same rights as the existing fully paid equity shares of the Company. The allotment of such Bonus Shares to the extent that they relate to non-resident members of the Company, shall be subject to the approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999, if necessary.

19. FINANCIAL STATEMENTS

The Ministry of Corporate Affairs and SEBI has provided several relaxations, in view of difficulties faced by the Companies, on account of threat posed by Covid-19. Pursuant to General Circular Nos. 14/2020 dated April 08, 2020; 17/2020 dated April 13, 2020; 22/2020 dated June 15, 2020; 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021 and 03/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs, the Company shall not be dispatching physical copies of financial statements, and the Annual Report shall be sent only by email to the Members.

The standalone and consolidated financial statements of the Company prepared in accordance with Indian Accounting Standards (Ind AS), duly audited by Statutory Auditors, also forms part of this Annual Report.

20. AMOUNT TRANSFERRED TO GENERAL RESERVE

No amount is being proposed to be transferred to the reserves out of profits for FY2022.

21. DIVIDEND

The Board of Directors of your Company, after considering holistically, has decided that it would be prudent to reinvest the profits back into the business and hence do not recommend Dividend for the year under review.

22. CHANGE IN NATURE OF BUSINESS, IF ANY.

There is no change in the nature of business of the Company during the **FY2022**.

23. CORPORATE GOVERNANCE

A Report on Corporate Governance is presented in a separate section forming part of this Report and enclosed as **Annexure A**.

24. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts and arrangements with related parties, entered by the Company during the FY2022, were in the ordinary course of business and on an arm's length basis. Particulars of contracts or arrangements with related parties as required under Section 134(3)(h) of the Act in the prescribed Form AOC-2 are enclosed as **Annexure-B** to the Directors' Report. Details regarding the policy, approval and review of Related Party Transactions are provided in the Corporate Governance Report enclosed as **Annexure A** to this Report.

25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments are provided in Note no. 5A, 5B, 6, 16A & 16B to the Financial Statements forming part of this Annual Report for FY2022.

26. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your Company had 39 subsidiaries, 1 associate company and 8 Joint Ventures as on March 31, 2022. The list of subsidiaries, associates and joint ventures is enclosed as **Annexure - C**. In accordance with Section 129(3) of the Act, a statement containing salient features of the financial statements of the subsidiary / associate and joint venture companies in Form AOC-1, is enclosed as **Annexure -D** to this report and is also provided as a part of consolidated financial statement.

During the year under review, following companies have become/ceased to be subsidiaries/associates/joint ventures of the Company:

A. Companies that have become subsidiaries/associates/ joint ventures during FY2022:

- Nangalbibra -Bongaigaon Transmission Limited (became subsidiary w.e.f. December 16, 2021)
- Maharashtra Transmission Communication Infrastructure Limited (became Subsidiary w.e.f. March 31, 2022)
- GBS Participações S.A (*Erstwhile Borborema Participações S.A*) (became Subsidiary w.e.f. April 16, 2021)
- Jaçanã Energia Ltd (became Subsidiary w.e.f. February 21, 2022)
- Olindina Participações S.A. (*Erstwhile Jaçanã Transmissão de Energia S.A*) (became Subsidiary w.e.f. February 01, 2022)
- Goa-Tamnar Transmission Project Limited (GTTPL) (Became JV w.e.f. April 06, 2021)
- Lakadia-Vadodara Transmission Project Limited (LVTPL) (Became JV w.e.f. April 06, 2021)
- Udupi Kasargode Transmission Limited (UKTL) (Became JV w.e.f. April 06, 2021)
- Sterlite Grid 14 Limited (SGL14) (Became JV w.e.f. April 06, 2021)
- Sterlite Grid 18 Limited (SGL18) (Became JV w.e.f. April 06, 2021)
- Sterlite Grid 29 Limited (SGL29) (Became JV w.e.f. April 06, 2021)

B. Companies which have ceased to be subsidiaries during FY2022:

- Sterlite Grid 4 Limited (SGL4) (Merged with SPTL w.e.f March 14, 2022)
- Goa-Tamnar Transmission Project Limited (GTTPL) (Became JV w.e.f. April 06, 2021)
- Lakadia-Vadodara Transmission Project Limited (LVTPL) (Became JV w.e.f. April 06, 2021)
- Udupi Kasargode Transmission Limited (UKTL) (Became JV w.e.f. April 06, 2021)
- Sterlite Grid 14 Limited (SGL14) (Became JV w.e.f. April 06, 2021)
- Sterlite Grid 18 Limited (SGL18) (Became JV w.e.f. April 06, 2021)
- Sterlite Grid 29 Limited (SGL29) (Became JV w.e.f. April 06, 2021)
- Dunas Transmissão de Energia S.A (Ceased to be the subsidiary w.e.f. June 02, 2021)

C. Companies which have ceased to be associates during FY2022:

- IndiGrid Investment Managers Limited (*Erstwhile Sterlite Investment Managers Limited*) (Ceased to be an Associate Company w.e.f. January 14, 2022)

SGL4 merged with the Company w.e.f. March 14, 2022, pursuant to the Scheme of Amalgamation of SGL4 with the Company and their respective Shareholders approved by Hon'ble National Company Law Tribunal, Mumbai Bench.

SGL14, SGL18, SGL29, GTTPL, LVTPL and UKTL were wholly owned subsidiaries of the Company up to April 05, 2021 and became the joint venture companies/Associates w.e.f. April 06, 2021

Policy on material subsidiaries, as approved by the Board of Directors, may be accessed at the Company's website at www.sterlitepower.com

27. DISCLOSURE REGARDING PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace.

The Company is an equal opportunity employer and believes in providing opportunity and key positions to women professionals. The Group has endeavoured to encourage women professionals by creating proper policies to address issues relating to safe and proper working conditions and create and maintain a healthy and conducive work environment that is free from discrimination. This includes discrimination on any basis, including gender, as well as any form of sexual harassment.

During the period under review, the Company had received no complaints of harassment and no complaints were pending to be resolved as on March 31, 2022. Your Company has constituted Internal Complaints Committee (ICC) for various business divisions and offices, as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

28. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Act, relevant amounts of Dividend which remained unpaid or unclaimed for a period of seven years are to be transferred by the Company to the Investor Education and Protection Fund established by Central Government. Details of unpaid and unclaimed dividend lying with the Company as on March 31, 2022, is also available on the Company's website at www.sterlitepower.com. However, no amount was required to be transferred during the year under review.

29. TRANSFER OF SHARES LYING IN UNCLAIMED SUSPENSE ACCOUNT

In terms of provisions of the Act, the shares lying in the Unclaimed Suspense Account for a period of seven consecutive years are to be transferred by the Company to the Investor Education and Protection Fund established by Central Government. Accordingly, shareholders are encouraged to claim their shares on or before March 31, 2023, if not yet claimed. Post March 31, 2023, shares lying in unclaimed Suspense Account for consecutive 7 years ending on March 31, 2023, shall be transferred to Investor Education and Protection Fund and shareholders will have to claim their shares from Investor Education and Protection Fund, established by the Central Government. Details of shares lying in Unclaimed Suspense Account are given in the Corporate Governance Report forming part of this Director' Report as **Annexure A**.

30. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as prescribed under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are enclosed as **Annexure- F** to this Report.

31. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of provisions of the Act and Rules made there under, the Directors Report and the Financial Statements are being sent to the Members of the Company excluding the annexure relating to the disclosures pertaining to remuneration under section 197(12) of the Act read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, which is applicable for listed companies. However, the said information is available for inspection through electronic mode. Any member interested in obtaining a copy of the said statement may write to the Company Secretary at secretarial.grid@sterlite.com and the same will be furnished upon such request.

32. PERFORMANCE AND RETENTION CASH PLAN 2021

In order to provide strategic direction to the Organisation and ensuring achievement of high growth, the Nomination and Remuneration Committee had adopted 'Performance and Retention Cash Plan 2021' (**"Plan"**) on September 24, 2021, for the key employees including Managing Director of the Company to ensure a continuous focus on creating value and participating actively in growth journey.

The Plan is in line with Company's philosophy of sharing benefits of growth with its key growth drivers.

33. LITIGATION BY THE COMPANY UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

The details of application made by the Company and proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with the status as at March 31, 2022 is as under:

Pursuant to certain purchase orders placed by Pan India Infraprojects Private Limited (**"Pan India"**) for the purchase of ACSS aluminium conductors and OPGW Cables from the Company and a liquidation application filed before the National Company Law Tribunal against Pan India under the Insolvency and Bankruptcy Code, 2016 and the corresponding public announcement dated July 25, 2020, the Company has raised a claim of approximately ₹ 124.17 million against Pan India for certain cancellation costs and dues towards the non-issuance of C form owed by Pan India to the Company. The matter is currently pending.

34. ADDITIONAL DISCLOSURES

a. Details of Board meetings of Sterlite Grid 4 Limited now merged with the Company

The Company had entered into a scheme of amalgamation with Sterlite Grid 4 Limited- wholly owned subsidiary of the Company (**"SGL4"**), and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, which was sanctioned by the National Company Law Tribunal, Mumbai Bench by way of its order dated February 17, 2022 and which became effective from March 14, 2022, therefore, the details of meetings of the Board of SGL4 is also being reported herein-under.

During the period April 01, 2021, to March 14, 2022, the Board of Directors of SGL4 met 7 (Seven) times. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013 (**hereinafter also referred to as "the Act"**) and Secretarial Standard 1 on Board meetings issued by the Institute of Company Secretaries of India read with MCA circulars, as issued from time to time. The dates on which these meetings were held are May 26, 2021, June 12, 2021, July 14, 2021, August 29, 2021, September 29, 2021, December 24, 2021, and February 22, 2022.

The composition of the Board of SGL4 during FY2022 and its attendance in the meetings are as follows:

Sr. No.	Name of the Directors	Designation	No. of Board meetings of SGL4 held during the period April 01, 2021 to March 13, 2022.		
			Held	Entitled to attend	Attended
1	Mr. Amarendranath Reddy Tatimakula	Director	7	7	6
2	Mr. Amitabh Prasad	Director	7	7	5
3	Mr. Kamlesh Garg[1]	Director	7	7	5
4	Mr. A.R. Narayanaswamy[2]	Independent Director	7	4	3

[1]*Regularised as Director in Annual General Meeting held on September 30, 2021.*

[2]*Appointed as an Additional Director (Independent) w.e.f August 04, 2021 and regularised as Director in Annual General Meeting held on September 30, 2021.*

b. **Non-Convertible Debentures**

During the year under review, the Company did not issue/redeemed any debt securities. However, erstwhile Sterlite Grid 4 Limited (SGL4- *now merged with the Company*) had issued 2000 non-convertible debentures ('NCDs') of ₹ 10,00,000 each on private placement basis. The said NCDs were redeemed on April 07, 2022:

As on the date of this report, there are no debt securities.

35. DISCLOSURES WITH RESPECT TO EVENTS POST MARCH 31, 2022

a. Ms. Kamaljeet Kaur was appointed as an Additional Director (Executive, Professional) effective June 29, 2022, upon the recommendation of the Nomination and Remuneration Committee. She was also appointed as a Whole Time Director (Key Managerial Personnel), for one year up to June 28, 2023, and is holding such office up to the date of 7th Annual General Meeting of the Company and will be regularised as Whole time Director w.e.f. June 29, 2022, subject to the approval of Members/Shareholders in the ensuing Annual General Meeting.

b. **Restricted Stock Unit Scheme – 2022**

Adopting a progressive approach from a long-term perspective for retention and value creation for the Company, its shareholders and the employees, the Board and Members/Shareholders of the Company have approved Restricted Stock Unit Scheme Plan - 2022 for key employees of the Company. The shareholders approval for the same has been obtained on July 06, 2022. The Company believes that this scheme will provide an opportunity to the employees to partner in the growth of the Organisation as a shareholder.

Your Board of Directors has proposed issue of Bonus equity shares to the holder of existing equity shares of the Company at the ensuing 7th Annual General Meeting, once the same is approved by the Members/ Shareholders, the number of stocks to be created, offered and granted, from time to time, in one or more tranches ("RSUs"); under the 'Sterlite Power Transmission Limited Restricted Stock Unit Scheme 2022' (hereinafter referred to as the "RSU Scheme 2022"), as approved by the Board and Members/ Shareholders vide their respective resolutions dated May 20, 2022 and July 06, 2022, respectively, shall appropriately be adjusted in a manner that number of RSUs under the RSU Scheme 2022, which shall not exceed 1% (One percent) of the number of increased paid-up equity shares of the Company (excluding outstanding warrants and conversions), Accordingly, such RSUs shall stand increased from 6,11,819 to 12,23,638 equity shares, without affecting any other rights or obligations of the RSU grantees and without requiring any further action/ approval of the Members/ Shareholders.

36. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134(3)(c) and Section 134(5) of the Act, your Directors state that:

a. in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.

b. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year April 1, 2021 to March 31, 2022.

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. they have prepared the annual accounts on a going concern basis.

e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

37. GENERAL

Your Directors' state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a. The Company has not accepted any deposits from the public or otherwise in terms of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of Balance Sheet.

b. The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.

c. The Managing Director of the Company do not receive any remuneration or commission from any of its subsidiaries.

d. No significant or material orders were passed by the Regulators or Courts or Tribunals which has an impact on the going concern status and Company's operations in future.

e. The Auditors have not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

f. The Company has not made any one-time settlement in respect of any loan from Banks or Financial Institutions, hence, no details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, are required to be given.

38. COMPLIANCE WITH SECRETARIAL STANDARDS

Your Directors confirm that the Secretarial Standard – 1, on Meetings of Board of Directors and Secretarial Standard – 2 on General Meetings, issued by the Institute of Company Secretaries of India, have been duly complied with.

39. ANNUAL RETURN

Pursuant to Section 92(3) of the Act, the Annual Return of the Company for the FY2022 shall be available on the website of the Company at www.sterlitepower.com.

40. ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and Members during the year under review. Your Directors place on record their deep sense of appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the progress of your Company.

For and on behalf of the Board of Directors
Sterlite Power Transmission Limited

sd/-
Pravin Agarwal
Chairman
DIN-00022096

Date: August 23, 2022
Place: Aurangabad

ANNEXURE INDEX

Annexure	Content
A	Corporate Governance Report
B	The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in the prescribed Form AOC - 2 of Companies (Accounts) Rules, 2014.
C	List of subsidiaries, associates and joint ventures as on March 31, 2022.
D	Salient features of Subsidiaries pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in Form AOC–1.
E	Secretarial Audit Report for FY ended on March 31, 2022.
F	The particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as prescribed under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014
G	Report on Corporate Social Responsibility.

Annexure A

Corporate Governance Report

PHILOSOPHY OF THE COMPANY ON CODE OF GOVERNANCE

Corporate Governance represents the value, ethical and moral framework under which business decisions are taken. The investors want to be sure that not only their capital is handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner which is not illegal or involving moral hazard. Your Company perceives good corporate governance practices as a key to sustainable corporate growth and long-term shareholder value creation. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning, increasing employee and client satisfaction and enhancing shareholders' wealth by developing capabilities and identifying opportunities that best serve the goal of value creation. All actions and strategic plans are directed towards delivering value to all stakeholders, as well as conform to the highest standards of corporate behaviour. Your Company is continuously striving to attain excellence in business backed by client service. Similar to our personal performance monitoring, wherein our focus is towards being outstanding or excellent, all our products and business processes need to be 'Excellent' - first in our own perception and then in our customers' perception.

Your Company believes that an active, well informed independent Board is necessary to ensure the highest standard of Corporate Governance. Your Company firmly believes that the Board's independence is essential to bring objectivity and transparency in the management and in the dealings of the Company.

Further, our governance structure, including our commitment to environment and sustainability, aim to reflect our corporate governance standards and practices. We have a three-tiered governance structure comprising our Board, Board Committees and Executive Management. Our Board Committees also play a vital role in ensuring sound corporate governance practices.

Strategic supervision	The Board of Directors occupies the top most tier in the governance structure. It plays a role of strategic supervision that is devoid of involvement in the task of strategic management of the Company. The Board lays down strategic goals and exercises control to ensure that the Company is progressing to fulfill stakeholders' aspirations.
Strategic management	The Management Executive Committee is composed of the senior management of the Company and operates upon the directions and supervision of the Board.
Executive management	The function of Executive Management is to execute and realise the goals that are laid down by the Board and the Executive Committee.

1. Board of Directors

a. Composition of Board

As on March 31, 2022, the Board of Directors comprised of 5 (Five) directors, of which 2 (two) were Independent Directors:

Sr. No.	Name of the director(s)	Designation	Category
1	Mr. Pravin Agarwal	Chairman	Non-Executive
2	Mr. A.R. Narayanaswamy	Independent Director	Non-Executive
3	Mr. Anoop Seth	Independent Director	Non-Executive
4	Mr. Pratik Pravin Agarwal	Managing Director	Executive
5	Mr. Manish Agrawal	Whole Time Director (Additional Director)	Executive

During the year under review, following changes were made in the Directorships of the Company: -

1. Mr. Arun Todarwal ceased to be a Director of the Company upon completion of his term of 5 years w.e.f. July 24, 2021
2. Ms. Haixia Zhao ceased to be a Director of the Company due to resignation w.e.f. March 31, 2022.
3. Mr. Pratik Pravin Agarwal was re-appointed as the Managing Director w.e.f. June 01, 2021 for a term of 3 years.
4. Mr. Manish Agrawal was appointed as Whole Time Director (Additional Director), Executive Director w.e.f December 17, 2021.

Note: Ms. Kamaljeet Kaur was appointed as Whole Time Director (Additional Director), Executive Director w.e.f. June 29, 2022.

All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned in the Companies Act, 2013. All the Directors have made necessary disclosures regarding Committee positions and directorships held by them in other companies. None of the directors on the Company's Board is a member in more than ten committees and Chairman in more than five Committees (Audit Committee and Stakeholders' Relationship Committee) across all companies in which he / she is a director. Also, none of the Independent Directors' of the Company, served as an Independent Director in more than 7 listed companies. Further, in the opinion of the board, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended and are independent of the management.

Further, changes in Directorships during the year under review upto the date of this Report are already disclosed in the Directors' Report which is forming part of this Annual Report.

As on the date of this report, the composition of Board of Directors of the Company is as under:

Sr. No.	Name of the director(s)	Designation	Category
1	Mr. Pravin Agarwal	Chairman	Non-Executive
2	Mr. A.R. Narayanaswamy	Independent Director	Non-Executive
3	Mr. Anoop Seth	Independent Director	Non-Executive
4	Mr. Pratik Pravin Agarwal	Managing Director	Executive
5	Mr. Manish Agrawal	Whole Time Director (Additional Director)	Executive
6	Ms. Kamaljeet Kaur	Whole Time Director (Additional Director)	Executive

Relationship of Directors with other Directors/ KMPs: Members are informed that Mr. Pratik Pravin Agarwal, Managing Director is the son of Mr. Pravin Agarwal, Chairman of the Company.

b. Meetings of the Board of Directors

The details of meetings of the Board held during the FY22 have already been disclosed in the Directors' Report which is forming part of this Annual Report. Members are being informed that, owing to the COVID-19 guidelines, except one (1), all the board meetings were held through video conferencing/ other audio-video facilities.

The composition of the Board during FY22 and attendance of Directors in the meetings are as follows. Also given below is the attendance of Directors of the Company at the 6th Annual General Meeting of the Company held on September 29, 2021:

Sr. No.	Name of the Directors	Designation	Attendance at the last AGM held on September 29, 2021	No. of Board Meetings held during FY22		
				Held	Entitled to attend	Attended
1	Mr. Pravin Agarwal	Chairman	Yes	15	15	8
2	Mr. Pratik Pravin Agarwal	Managing Director	Yes	15	15	10
3	Mr. Arun Todarwal[1]	Independent Director	Not Applicable	15	6	6
4	Mr. A.R. Narayanaswamy	Independent Director	Yes	15	15	15
5	Ms. Haixia Zhao[2]	Independent Director	Yes	15	15	14
6	Mr. Anoop Seth	Independent Director	Yes	15	15	15
7	Mr. Manish Agrawal[3]	Whole Time Director (Additional Director)	Not Applicable	15	4	4

[1]Mr. Arun Todarwal ceased to be a Director upon completion of his tenure of 5 years on July 24, 2021.

[2]Ms. Haixia Zhao ceased to be a Director due to resignation w.e.f. March 31, 2022.

[3]Mr. Manish Agrawal was appointed as Wholetime Director (Additional Director) effective from December 17, 2021.

c. **Information provided to the Board**

Information is provided to the Board Members on regular basis for their review, inputs and approvals. The quarterly Board Meeting presentations to the Board provide adequate information to Directors on strategy, future roadmap, technology, functional updates, financial results and their analysis, governance matters and legal updates. The Statutory Agenda for Board and Committee meetings is sent in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting.

Further, the Managing Director, Chief Financial Officer and Company Secretary have interactions with all Directors at the Board Meeting(s); Members of senior Management also attend the Board Meetings at times to provide detailed insight to the Board Members.

d. **Separate meeting of Independent Directors**

As stipulated by the Code of Independent Directors under the Act, a separate meeting of the Independent Directors of the Company was held on March 30, 2022, for the FY22 to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

e. **Induction and training of Board Members**

The Company has put a process in place for the Induction and Training of Board Members. Upon appointment, the concerned Director will be issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director will be taken through a formal induction program including the presentation from the Managing Director on the Company's business. The details of familiarisation programs imparted to independent directors is forming part of the Nomination & Remuneration Policy and can be accessed at website of the Company at www.sterlitepower.com. The Company Secretary briefs the Directors about their legal and regulatory responsibilities as a director. On matters of specialised nature, the Company engages outside experts/consultants for presentation and discussion with the Board Members. The familiarisation program of directors' forms part of Company's Nomination and Remuneration Policy.

f. **Evaluation of the Board, Committees, Chairman and Individual Directors**

The Nomination & Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, Committees, Chairman and individual Directors is to be done.

The evaluation process includes circulation of questionnaires to all the directors for evaluation of the Board and its Committees, Board composition and its structure, its effectiveness, its functioning, information availability, etc. These questionnaires also cover specific criteria and the grounds on which all directors in their individual capacity shall be evaluated.

Accordingly, pursuant to the provisions of the Act, the Board has carried out an annual performance evaluation of its own performance, the Chairman, the directors individually as well as the evaluation of the working of its Committees. The said structured evaluation was conducted after taking into consideration, the inputs received from the directors, covering various aspects like role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

2. Committees of the Board

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board on quarterly basis for noting. As on March 31, 2022, the Board had established the following Committees:

2.1. Audit Committee;

2.2. Nomination and Remuneration Committee;

2.3. Stakeholders Relationship Committee;

2.4. Corporate Social Responsibility Committee;

2.5. Risk Management Committee;

2.6. Investment Committee;*

2.7. Banking and Authorisation Committee;

2.8. Allotment Committee; and

2.9. IPO Committee.

**The Investment Committee of the Company was dissolved w.e.f. May 27, 2022.*

2.1. Audit Committee

The Audit Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, besides other terms as may be referred by the Board of Directors. The primary objective of the Audit Committee of the Board of Directors is to discharge responsibilities relating to accounting and reporting of financial practices adopted by the Company and its subsidiaries, surveillance of internal financial control systems as well as accounting and audit activities. The Terms of Reference of the Audit Committee are as under:

A. Review Role- Audit Committee

1. *Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.*

2. *Review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:*

    a. *matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;*

    b. *changes, if any, in accounting policies and practices and reasons for the same;*

    c. *major accounting entries involving estimates based on the exercise of judgment by management;*

    d. *significant adjustments made in the financial statements arising out of audit findings;*

    e. *compliance with listing and other legal requirements relating to financial statements;*

    f. *disclosure of any related party transactions;*

    g. *qualifications and modified opinion(s) in the draft audit report;*

3. *Examination and review with the management of the quarterly financial statement and auditor's report thereon; and audit findings, including any significant suggestions for improvements provided to the Management by the independent auditors, or the internal auditor before submission to the board for approval.*

4. *Review the financial statements, in particular, the investments made by the unlisted subsidiary.*

5. *Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;*

6. *Review and monitor effectiveness of the audit process.*

7. *Review and monitor the auditor's independence, performance and qualifications, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner and consider regular rotation of the accounting firm serving as the independent auditors.*

8. *Review with the Management, performance of Statutory and Internal auditors and adequacy of the internal control systems.*

9. *Evaluate Internal Financial Controls and Risk Management systems and call for comments by the auditors about internal control systems/scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and discuss any related issues with the Internal and Statutory Auditors and the Management of the Company.*

10. *Review of the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;*

11. *Discussion with internal auditors of any significant findings and follow up thereon and review the findings of any investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.*

12. *Review material issues raised in any inquiry or investigation by governmental or professional authorities, regarding any independent audit performed by the independent auditor, during their tenure with the Company, and any steps taken to deal with any such issues.*

13. *Review proposals for fund raising, mergers and acquisitions, making investments or sale of investment/ assets.*

14. *Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.*

15. *Review with the Management, and independent auditors, any prospectus or such other document including financial statements contained therein, proposed to be issued by the Company for the purpose of raising capital.*

16. *Monitoring of end use of funds raised through public offers and related matters.*

17. *Monitoring and review of the utilisation of loans and/ or advances from/investment in the subsidiary companies exceeding rupees 100 crore or 10% of the asset size of the subsidiary/associate companies, whichever is lower; including existing loans / advances / investments existing as on the date of coming into force of this provision.*

18. *Review the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.*

19. *Periodically review the treasury policy of the Company.*

20. *Review the functioning of the Vigil / Whistle Blower Mechanism.*

21. *Review of compliance with the Code of Business Conduct & Ethics, Prevention of Sexual Harassment at Workplace Policy, Conflict of Interest Policy, Anti-Trust Policy and Anti-Corruption and Bribery Policy*

22. *Note report of compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015;*

23. *Review of secretarial audit report, cost audit report and other audit report as required under the applicable laws.*

24. *Review, in conjunction with legal counsel, any legal matters that could have a significant impact on the Company's financial statements/position.*

25. *Review the following:*

    a. *Management discussion and analysis of financial condition and results of operation.*

    b. *Statement of significant related party transactions (as defined by the audit committee), submitted by management;*

       Provided that only those members of the Audit Committee, who are independent directors, shall approve related party transactions

    c. *Management letters / letters of internal control weaknesses issued by the statutory auditors including Internal audit reports relating to internal control weaknesses.*

    d. *Statement of deviations, if any in the use of proceeds as against the objects for which the funds were raised.*

    e. *Review the statement of deviations:*

       i. *quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).*

       ii. *annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).*

    f. *Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.*

B. Approval Role- Audit Committee

26. *Approval of other non-audit services rendered by the Statutory Auditors including finalisation of fees for such other services;*

27. *Approval or any subsequent modification of transactions of the Company with the related parties or recommendation of the same to the Board.*

28. *Approval of appointment of the Chief Financial Officer and Chief Internal Auditor after assessing the qualifications, experience and background, etc. of the candidate. The removal and terms of remuneration of the chief internal auditor shall also be subject to review by the Audit Committee.*

29. *Recommendation for appointment, remuneration and terms of appointment of the auditors of the Company including secretarial auditors and cost auditors.*

C. Other Roles and Functions- Audit Committee

30. *Formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with internal auditor.*

31. *Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;*

32. *Scrutiny of inter corporate loans and investments and periodically review its status.*

33. *Valuation of undertakings or assets of the Company, wherever it is necessary*

34. *Appointment of Registered Valuer in terms of Section 247 of the Companies Act, 2013, if required.*

35. *Formulate the criteria for granting omnibus approval in line with the policy on related party transactions of the Company.*

36. *Make an omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions and requirements as prescribed by Applicable Law.*

37. *Undertake any other activity in this regard as may be required by the Companies Act, 2013, the Rules, or the SEBI Listing Regulations or other applicable law from time to time.*

38. *To do all acts, deeds and things which may be necessary for effective implementation of the foregoing acts.*

39. *Investigate into any matter in relation to activities mentioned above and for this purpose have the authority to obtain professional advice from external sources and have full access to records of the Company.*

The audit committee shall have powers to investigate any activity within its terms of reference or referred to it by the Board, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Composition and Meetings of Audit Committee

The Audit Committee comprises of two Independent Directors and one Non-Executive Director. Mr. A.R. Narayanaswamy, Chairman of the Committee (Independent Director) is a Chartered Accountant and has accounting and financial expertise. The other Committee Members are also financially literate, with ability to read and understand the financial statements. Mr. Arun Todarwal, former Chairman of the Committee ceased to be a Member of the Committee upon completion of his term as Director on July 24, 2021. The Company Secretary acts as the Secretary to Audit Committee. The quorum of the Committee is two members or one-third of its members, whichever is higher with at least two Independent Directors.

The Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on September 29, 2021.

The Audit Committee met fourteen (14) times during FY 22 i.e., on May 04, 2021, May 10, 2021 *(Meeting adjourned to May 10, 2021)*, May 19, 2021, June 14, 2021, July 26, 2021, August 07, 2021, August 25, 2021, September 24, 2021, October 26, 2021, November 15, 2021, February 03, 2022, February 10, 2022, March 14, 2022, and March 30, 2022, and the gap between two meetings did not exceed the statutory timelines. The Composition of the Audit Committee during FY22 and attendance at the meetings is as follows:

Sr. No.	Name of the Directors	Designation	No. of Audit Committee Meetings held during FY22		
			Held[1]	Entitled to attend	Attended
1	Mr. Arun Todarwal[2]	Former Chairman	14	4	4
2	Mr. A.R. Narayanaswamy[3]	Chairman	14	14	14
3	Mr. Pravin Agarwal	Member	14	14	3
4	Mr. Anoop Seth[4]	Member	14	9	9

[1]Excluding Adjourned Meeting held on May 10, 2021

[2]Ceased to be a member of the Committee upon completion of term of 5 years as Director on July 24, 2021.

[3]Mr. A.R. Narayanaswamy was designated as Chairman of the Committee w.e.f August 03, 2021.

[4]Mr. Anoop Seth was inducted as a member of the Committee w.e.f. August 03, 2021.

As on the date of the report, the composition of Audit Committee is as under:

Sr. No.	Name of the Directors	Designation
1	Mr. A.R. Narayanaswamy[1]	Chairman
2	Mr. Pravin Agarwal	Member
3	Mr. Anoop Seth[2]	Member

[1]Change in Designation of Mr. A.R. Narayanaswamy from Member to Chairman effective from August 03, 2021

[2]Inducted as a member of the Committee effective from August 03, 2021

2.2. Nomination and Remuneration Committee

The powers, role and terms of reference of the Nomination and Remuneration Committee (NRC) covers the areas as provided under the Act, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, besides other terms as referred by the Board. The Terms of Reference of the Nomination and Remuneration Committee includes:

A. Nominating Functions- Nomination and Remuneration Committee

1. *Review and recommend the structure, size and composition of the Board and its Committees.*

2. *Formulate and recommend to the Board the criteria for determining qualifications, positive attributes and independence of a Director.*

3. *Evaluate the balance of skills, knowledge, experience and diversity on the Board for description of the role and capabilities, required for an appointment.*

4. *To devise a policy on diversity of board of directors.*

5. *To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down*

6. *Review and recommend to the Board appointment of Directors and Senior Management, including evaluation of incumbent directors for potential re-nomination. Further, to recommend to the Board their removal, as may be necessary.*

7. *To determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.*

8. *Review succession planning for Senior Management.*

B. Remuneration Functions- Nomination and Remuneration Committee

1. *Recommend to the Board a policy relating to remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company (refer "Remuneration Policy") and periodically review the same.*

2. *The NRC, while formulating the above policy, should ensure that:*

   a) *the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;*

   b) *relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and*

   c) *remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;*

3. *Determine and recommend to the Board the remuneration payable to the Directors of the Company and the Senior Management and Key Managerial Personnel of the Company.*

4. *Review the annual compensation strategy and budget covering all employees of the Company including Senior Management.*

5. *Review deployment of key Human Resources strategies and tools specifically in the area of talent management, employee engagement & development and succession planning.*

C. Governance and Evaluation Function- Nomination and Remuneration Committee

1. *To formulate a criteria for evaluation of performance of independent directors and the board of directors.*

2. *To establish and oversee, the process of annual evaluation, including self-evaluation, of the Board, its Committees and Directors.*

3. *To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance*

4. *To bi-annually review the performance of the executive director/s.*

5. *To annually review its own performance and present the results to the Board.*

Composition and Meetings of Nomination and Remuneration Committee

The NRC comprises of three Independent Directors. Mr. A.R. Narayanaswamy is the Chairman of the Committee. Mr. Arun Todarwal, former Chairman of the Committee ceased to be the Chairman and Member of the Committee upon completion of his term as Director on July 24, 2021. The Committee met five (5) times during the FY22 i.e., on May 19, 2021, July 02, 2021, September 24, 2021, December 17, 2021, and March 29, 2022. The Company Secretary acts as the Secretary to Nomination and Remuneration Committee.

The Composition of Nomination and Remuneration Committee during the FY 22 and attendance details of its meetings is as follows:

Sr. No.	Name of the Directors	Designation	No. of Nomination and Remuneration Committee Meetings held during FY22		
			Held	Entitled to attend	Attended
1	Mr. Arun Todarwal[1]	Former Chairman	5	2	2
2	Mr. A.R. Narayanaswamy	Chairman	5	5	5
3	Mr. Anoop Seth[2]	Member	5	3	3
4	Ms. Haixia Zhao[3]	Member	5	5	3

[1]Mr. Arun Todarwal ceased to be member of the Committee upon completion of his term of 5 years as Director on July 24, 2021.

[2]Mr. Anoop Seth was inducted as a member of the Committee effective from August 03, 2021.

[3]Ms. Haixia Zhao ceased to be member of the Committee upon her resignation as Director on March 31, 2022.

As on the date of this report, the composition of Nomination and Remuneration Committee is as under:

Sr. No.	Name of the Directors	Designation
1	Mr. A.R. Narayanaswamy	Chairman
2	Mr. Pravin Agarwal[1]	Member
3	Mr. Anoop Seth[2]	Member

[1]Inducted as a member of the Committee effective from April 21, 2022.

[2]Inducted as a member of the Committee effective from August 03, 2021.

Policy for selection and appointment of directors and their remuneration

The Nomination and Remuneration Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

A. Appointment criteria and qualification- Policy for selection and appointment of directors and their remuneration

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment.

For the appointment of persons in Senior Management, a person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment. Further, for administrative convenience, the appointment of persons in Senior Management, Managing Director of the Company is authorised to identify and appoint suitable persons for such positions. However, if the need be, Managing Director of the Company may consult the Committee/ Board for further directions / guidance.

B. Term- Policy for selection and appointment of directors and their remuneration

The Term of the Directors including Managing / Whole Time Director / Manager/ Independent Director shall be governed as per the provisions of the Act and Rules made thereunder.

Whereas the term of the persons in Senior Management shall be governed by the prevailing HR policies of the Company.

C. Removal- Policy for selection and appointment of directors and their remuneration

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations there under and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director or person in Senior Management.

D. Remuneration of Managing / Whole-time Director, KMP and Senior Management- Policy for selection and appointment of directors and their remuneration

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole Time Director will *be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder. Further, the Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing/Whole-time Director) and persons in Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company.*

E. Remuneration to Non-Executive / Independent Directors- Policy for selection and appointment of directors and their remuneration

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders.

An Independent Director shall not be entitled to any stock option of the Company, if any, unless otherwise permitted in terms of the Act.

2.3. Stakeholders Relationship Committee

The powers, role and terms of reference of the Stakeholders' Relationship Committee (SRC) covers the areas as provided under the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, besides other terms as referred by the Board.

The Terms of Reference of Stakeholders Relationship Committee includes:

1. *To approve/refuse/reject registration of transfer/transmission of Shares in a timely manner;*
2. *To approve/revise the format of share certificates and authorise printing thereof;*
3. *To authorise to maintain, preserve and keep in its safe custody all books and documents relating to the issue of share certificates, including the blank forms of share certificates;*
4. *To monitor redressal of and resolve the security holder's complaints/grievances including relating to non-receipt of allotment / refund, transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.*
5. *Review of measures taken for effective exercise of voting rights by shareholders.*
6. *Review of adherence of the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.*
7. *Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.*
8. *Undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the rules thereunder, or the SEBI Regulations each as amended or by any other regulatory authority, from time to time;*
9. *To do all acts, deeds and things as may be necessary for effective implementation of the foregoing acts.*

Composition and Meetings of Stakeholders Relationship Committee

The SRC comprised of two Independent Directors and one non-executive Director during FY 22. Ms. Haixia Zhao- Independent Director, was the Chairperson of the Committee up to the date of her cessation upon resignation w.e.f. March 31, 2022. The Committee met once during FY22 i.e., on August 20, 2021. The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee. The Composition of Stakeholders Relationship Committee during the FY22 and attendance details of its meetings is as follows:

Sr. No.	Name of the Directors	Designation	No. of Stakeholders Relationship Committee Meetings held during FY22		
			Held	Entitled to attend	Attended
1	Ms. Haixia Zhao[1]	Chairperson	1	1	1
2	Mr. Pravin Agarwal	Member	1	1	1
3	Mr. A.R. Narayanaswamy	Member	1	1	1

[1]Ms. Haixia Zhao ceased to be member of the Committee upon her resignation as Director on March 31, 2022.

As on the date of the report, the composition of Stakeholders Relationship Committee is as under:

Sr. No.	Name of the Directors	Designation
1	Mr. A.R. Narayanaswamy[1]	Chairman
2	Mr. Pravin Agarwal	Member
3	Mr. Manish Agrawal[2]	Member

[1]Mr. A.R. Narayanaswamy was designated as Chairman of the Committee w.e.f April 21, 2022.
[2]Mr. Manish Agrawal was inducted as Member of the Committee w.e.f April 21, 2022.

Further during the year under report, the Company received 154 complaints for various matters like non-receipt of share certificates, non-receipt of dividend and non-receipt of annual report. All the complaints were resolved to the satisfaction of investors. Mr. Ashok Ganesan, Company Secretary, acts as the Compliance Officer of the Company. There were no pending complaints as on March 31, 2022.

2.4. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee's primary role is to assist the Company in discharging its social responsibilities. The Committee monitors the implementation of the Corporate Social Responsibility Policy. The Committee's constitution and terms of reference meet with the requirements of the Act and Rules made thereunder.

The terms of reference of the Corporate Social Responsibility Committee includes:

1. *Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, the CSR Rules and amendments therein, from time to time.*

2. *Formulate and recommend to the Board, a roadmap of the CSR activities to be undertaken by the Company and annual budget to carry out the CSR activities including amendments therein, from time to time.*

3. *Approve and recommend to the Board the expenditure to be incurred on the CSR activities, from time to time as per the annual budget / CSR program approved by the Board of directors and in accordance with the Companies Act, 2013 and the CSR Rules.*

4. *Establish a transparent monitoring mechanism for implementation of CSR projects and programs undertaken by the Company and submit a half-yearly report to the Board of directors.*

5. *Review and monitor the Corporate Social Responsibility Policy and CSR activities of the Company.*

6. *Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -*

   (a) *the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;*

   (b) *the manner of execution of such projects or programs as specified in sub-rule (1) of rule 4 of the CSR Rules;*

   (c) *the modalities of utilisation of funds and implementation schedules for the projects or programs;*

   (d) *monitoring and reporting mechanism for the projects or programs; and*

   (e) *details of need and impact assessment, if any, for the projects undertaken by the Company:*

   Provided that Committee may alter such plan at any time during the financial year, and recommend the same to the Board, based on the reasonable justification to that effect.

7. *The CSR Committee may at the expense of the Company secure external professional advice and attendance of third parties with relevant experience and expertise, if it considers this necessary.*

8. *The Committee shall have access to any internal information necessary to fulfil its role.*

9. *Undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the CSR Rules, or other applicable law each as amended or by any other regulatory authority, from time to time.*

10. *To do all acts, deeds and things which may be necessary for effective implementation of the foregoing acts.*

Composition and Meetings of Corporate Social Responsibility Committee

During FY 22, the CSR Committee comprised of total 4 members out of which two were Independent Directors, one Non-Executive Director and one Executive Director. Mr. Pravin Agarwal is the Chairman of the Committee. Mr. Arun Todarwal was the former Chairman of the Committee and he ceased to be a member of the Committee upon completion of his term on July 24, 2021. Post his cessation, Mr. Pravin Agarwal was elected as the Chairman of the Committee. The Committee met twice during FY22 i.e., on May 20, 2021, and August 20, 2021. The Composition of CSR Committee during FY22 and attendance details of its meetings is as follows:

Sr. No.	Name of the Directors	Designation	No. of Corporate Social Responsibility Committee Meetings held during FY22		
			Held	Entitled to attend	Attended
1	Mr. Arun Todarwal[1]	Former Chairman	2	1	1
2	Mr. Pravin Agarwal[2]	Chairman	2	2	1
3	Mr. Pratik Pravin Agarwal[4]	Member	2	2	0
4	Mr. A.R. Narayanaswamy	Member	2	2	2
5	Ms. Haixia Zhao[3]	Member	2	2	2

[1]Ceased to be a member of the Committee upon completion of his term of 5 years as Director on July 24, 2021.

[2]Mr. Pravin Agarwal was designated as the Chairman of the Committee w.e.f. August 20, 2021.

[3]Ms. Haixia Zhao ceased to be a member of the Committee upon her resignation as Director w.e.f. March 31, 2022.

[4]Mr. Pratik Pravin Agarwal ceased to be a member of the Committee w.e.f. April 21, 2022.

As on the date of the report, the composition of the CSR Committee is as under:

Sr. No.	Name of the Directors	Designation
1	Mr. Pravin Agarwal	Chairman
2	Mr. A R Narayanaswamy	Member
3	Mr. Manish Agrawal[1]	Member

[1]Mr. Manish Agrawal was inducted as Member of the Committee w.e.f April 21, 2022.

2.5. Risk Management Committee

The Company has constituted a Risk Management Committee (RMC) which supports the Board in fulfilling its Corporate Governance oversight responsibilities with regard to identification, evaluation and mitigation of risks impacting the business.

The terms of reference of the RMC Committee includes:

1. *Advise the Board on the Company's overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment and drawing on financial stability assessments such as those published by relevant industry and regulatory authorities.*
2. *To formulate a detailed risk management policy which shall include:*
   - *(a). A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.*
   - *(b). Measures for risk mitigation including systems and processes for internal control of identified risks.*
   - *(c). Business continuity plan.*
3. *Oversee and advise the Board on the current risk exposures of the Company and future risk strategy and review the risk management plan.*
4. *To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.*
5. *To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.*
6. *To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.*
7. *To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.*
8. *The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.*
9. *Review of cyber security and related risks;*
10. *Set a standard for the accurate and timely monitoring of large exposures and certain risk types of critical importance.*

11. *Ensure the CRO shall be given the right of unfettered direct access to the Chairman of the Board and/or to the Committee.*

12. *The Committee may at the expense of the Company secure external legal or other professional advice and attendance of third parties with relevant experience and expertise, if it considers this necessary. The Committee may also seek information from any employee of the Company.*

13. *Undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the rules thereunder, or the SEBI Listing Regulations each as amended or by any other regulatory authority, from time to time.*

Composition and Meetings of Risk Management Committee

During FY22, Risk Management Committee (RMC) comprised of two Independent Directors and one Executive Director. Ms. Haixia Zhao was the Chairperson of the Committee upto the date of her cessation by way of resignation from the Company w.e.f. March 31, 2022. The Committee met twice during FY22 i.e. on May 19, 2021 and November 10, 2021. The Composition of RMC during FY22 and attendance details of its meetings is as follows:

Sr. No.	Name of the Directors	Designation	No. of Risk Management Committee Meetings held during FY22		
			Held	Entitled to attend	Attended
1	Ms. Haixia Zhao[1]	Chairperson	2	2	2
2	Mr. A.R. Narayanaswamy	Member	2	2	2
3	Mr. Pratik Pravin Agarwal	Member	2	2	1
4	Mr. Arun Todarwal[2]	Member	2	1	1

[1]Ms. Haixia Zhao ceased to be the Chairperson of the Committee upon her resignation as Director w.e.f March 31, 2022.

[2]Mr. Arun Todarwal ceased to be a member of the Committee upon completion of his term of 5 years as Director on July 24, 2021.

As on the date of the report, the composition of the RMC Committee is as under:

Sr. No.	Name of the Directors	Designation
1	Mr. A.R. Narayanaswamy	Member
2	Mr. Pratik Pravin Agarwal	Member

2.6. Investment Committee *(dissolved w.e.f. May 27, 2022)*

The Company had also constituted an Investment Committee (IC) to oversee strategic transactions and to provide direction and guidelines to the operating teams, evaluate risk and alignment with overall Group objectives globally including Brazil.

The terms of reference of the Investment Committee includes:

1. *Advise the Board on the proposed following strategic transactions, provide direction and guidelines to the operating teams, evaluate risk and alignment with overall Group objectives globally, including India and Brazil:*

   a. *Sale of assets;*

   b. *Purchase of assets;*

   c. *Bidding of infrastructure projects in India and Brazil;*

   d. *Raising of debt/Refinancing/Restructuring at hold co level;*

   e. *Raising of debt at project level/Refinancing/Restructuring;*

   f. *Equity raise;*

   g. *Potential Mergers and Acquisitions.*

2. *Review and recommend to the Board for its approval investment opportunities, acquisitions, joint ventures in accordance with the Company's Business plans.*

3. *Perform such other duties consistent with the Committee's purpose or that are assigned to it by the Board.*

Composition and Meetings of Investment Committee

During the FY22, the Investment Committee (IC) constituted by the Board of Directors comprised of two Independent Directors and one Executive Director. The Committee met five (5) times during FY22 i.e., on June 10, 2021, June 22, 2021, July 02, 2021, October 19, 2021 and February 03, 2022. The Composition of IC during FY22 and attendance details of its meetings is as follows:

Sr. No.	Name of the Directors	Designation	No. of Investment Committee Meetings held during FY22		
			Held	Entitled to attend	Attended
1	Ms. Haixia Zhao[1]	Member	5	5	5
2	Mr. Anoop Seth	Member	5	5	5
3	Mr. Pratik Pravin Agarwal	Member	5	5	4

[1]Ms. Haixia Zhao ceased to be the member of the Committee upon her resignation as Director w.e.f March 31, 2022.

The Investment Committee was dissolved with effect from May 27, 2022.

2.7. Banking and Authorisation Committee

The Banking and Authorisation Committee **("BAC")** of the Company was constituted to ease the day-to-day affairs of the Company within the approvals accorded and delegated by the Board of Directors.

The Terms of Reference of the Banking & Authorisation Committee includes:

1. *Opening and/or Closure of Bank Accounts / Opening and/or Closure of Demat Accounts / Hedging Accounts / Forex Accounts / Derivative/Forex Transactions / Internet Banking Authorisations / Cash Management Services with various banks in India and/or outside India and change in operations of Bank Accounts, issuing letter of continuity and all such matters related to operations of the Current and Cash Credit Accounts.*
2. *Appointing hedging brokers/sub-brokers for London Metal Exchange or any other Metal Exchanges.*
3. *Authorise / Grant Power of Attorneys to employees of the Company for bidding in tenders, marketing, representing the Company in routine business matters.*
4. *Authorise / grant Power of Attorney to employees of the Company or consultants to the Company in routine business matters.*
5. *Authorise / grant Power of Attorney to one or more persons to represent before authorities under Income Tax, Sales Tax, Excise, VAT, decide authentication of Excise Invoices, Customs (including issuing Bonds), Ministry of Corporate Affairs, the Reserve Bank of India, the Registrar of Companies, Foreign Investment Promotion Board, Enforcement Directorate, Electricity Boards, Pollution Control Boards, Town and Country Planning Authorities and/or other statutory authorities under Central and/or State Governments.*
6. *Authorise / grant Power of Attorney to one or more persons to initiate and/or defend all legal proceedings including appointment of counsel, attorneys, mediators, arbitrators on behalf of the Company and also to execute affidavits, appeals, applications, petitions and other documents and all such necessary/incidental steps necessary in this regard.*
7. *Authorise one or more employees of the Company under Section 113 of the Companies Act, 2013 to attend and vote at the meetings of the companies where the Company is a shareholder/debenture-holder, meetings of creditors and meetings convened by the orders of the Court and to nominate/change nominee shareholders in any Subsidiary or Associate Companies from time to time to ensure the presence of quorum at their General Meetings and to ensure minimum number of members under the Companies Act 2013.*
8. *Authorise employees of the Company in matters relating to opening and/or closing of representative/branch offices in India or other countries.*
9. *Authorise / grant Power of Attorney to one or more persons at various units for administrative purposes viz. applying for telephone/ internet/ power connection and/or dealing with local municipal authorities, shop act authorities and related matters.*
10. *Authorise / give Power of Attorney to one or more persons to make application to Central Government, Ministry of Corporate Affairs, Foreign Investment Promotion Board, Enforcement Directorate, Reserve Bank of India, Registrar of Companies for various permissions required under various Statutory enactments.*
11. *Authorise one or more persons to execute and/or register any documents, deeds, papers for purchase/ sale/ take or give on lease and / or Leave & License basis, land, factory, office premises and/or residential premises for the purpose of business.*

12. *Invest sums of money in Units of Mutual Funds, Government Securities, Bonds, Debentures, and any other Securities or instruments upto ₹500 crore, at any given point of time.*
13. *Avail Working Capital facilities from various banks/financial institutions (Fund based and non-fund based) for the prescribed limit as approved by Board from time to time.*
14. *Avail Term Loan facilities including through Non-Convertible Debentures from various banks/financial institutions for the prescribed limit as approved by Board from time to time.*
15. *Creation of security or charge including but not limited to hypothecation, mortgage, pledge, bailment etc. on the moveable and/or immovable properties.*
16. *Authorise one or more persons to issue, sign, execute, and deliver indemnity, corporate guarantees, undertakings, affidavit or any other document on behalf of the Company.*
17. *Approve amendments to existing Superannuation Scheme including authority to change trustees, wherever necessary.*
18. *Authorise any person to affix seal of the Company to any instrument by the authority of a resolution.*
19. *To revoke the powers delegated to the employee(s) by the Board and / or Committee(s) thereof from time to time.*

Composition and Meetings of Banking and Authorisation Committee

The Banking and Authorisation Committee comprises of one Non-Executive Director and one Executive Director. Mr. Pravin Agarwal is the Chairman of the Committee. The Committee met twelve (12) times during FY22 i.e., on April 06, 2021, May 10, 2021, June 12, 2021, June 19, 2021, August 07, 2021, September 28, 2021, October 26, 2021, November 24, 2021, January 12, 2022, February 09, 2022, March 01, 2022 and March 11, 2022. The Composition of Banking and Authorisation Committee during FY22 and attendance details of its meetings is as follows:

Sr. No.	Name of the Directors	Designation	No. of Banking & Authorisation Committee Meetings held during FY22		
			Held	Entitled to attend	Attended
1	Mr. Pravin Agarwal	Chairman	12	12	12
2	Mr. Pratik Pravin Agarwal	Member	12	12	12

Further, there is no change in the composition of Banking and Authorisation Committee as on the date of this report.

2.8. Allotment Committee

The Allotment Committee has been constituted by the Board of Directors of the Company.

The Terms of Reference of the Allotment Committee includes:

1. *Allot Shares / Securities of the Company.*
2. *Splitting of shares, issuance of Duplicate Share Certificate in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilised.*
3. *Authorise Directors / officers of the Company to issue Share / Securities Certificate to respective allottee(s) for above mentioned purposes.*
4. *Undertake any other activity in this regard as may be required by the Companies Act, 2013 or the Rules, from time to time.*
5. *To do all acts, deeds, matters and things as may be necessary for effective implementation of the foregoing acts.*

During FY22 the Allotment Committee comprised of following members and no meeting of Allotment Committee was held during the year under report.

Sr. No.	Name of the Directors	Designation
1	Mr. Arun Todarwal[1]	Chairman
2	Mr. Pravin Agarwal	Member
3	Mr. Pratik Pravin Agarwal	Member

[1]*Ceased to be a member of the Committee upon completion of his tenure of 5 years as Director on July 24, 2021.*

As on the date of the report, the composition of the Allotment Committee is as under:

Sr. No.	Name of the Directors	Designation
1	Mr. Pravin Agarwal	Member
2	Mr. Pratik Pravin Agarwal	Member

2.9. IPO Committee

During the year under review, the Company constituted an IPO Committee (IPOC).

The terms of reference of the IPO Committee includes:

1. *To approve applications to be made to the Government of India, Securities and Exchange Board of India (**"SEBI"**), Reserve Bank of India (**"RBI"**), or to any other statutory or governmental authorities in connection with the Issue as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;*

2. *To finalise and approve the draft red herring prospectus with the SEBI, the red herring prospectus and prospectus with the SEBI, Registrar of Companies, Pune (the **"RoC"**), stock exchange(s), and other regulatory authorities and the preliminary and final international wrap (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient), the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Issue as finalised by the Company, and take all such actions in consultation with the book running lead managers (the **"BRLMs"**) as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/modifications as may be required by the SEBI, the RoC or any other relevant governmental and statutory authorities or otherwise under applicable laws;*

3. *To approve in consultation with the BRLMs on the timing, pricing and all the terms and conditions of the Issue, including the price band, Issue price, Issue size and to accept any amendments, modifications, variations or alterations thereto;*

4. *To authorise officials to appoint and enter into arrangements with the BRLMs, underwriters to the Issue, syndicate members to the Issue, brokers to the Issue, escrow collection banks to the Issue, refund banks to the Issue, public offer account banks to the Issue, sponsor bank, registrar to the Issue, independent chartered accountants, ad agency, printers, industry data providers, experts, legal advisors, advertising agency, monitoring agency and any other agencies or persons or intermediaries to the Issue, including any successors or replacements thereof, and to negotiate and finalise and amend the terms of their appointment;*

5. *To authorise the maintenance of a register of holders of the Equity Shares;*

6. *To authorise officials to negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the BRLMs' mandate or fee/ engagement letter, Issue agreement, syndicate agreement, underwriting agreement, escrow and sponsor bank agreement, agreements with the registrar, the advertising agency and the monitoring agency and all other documents, deeds, agreements and instruments and any notices, supplements, addenda and corrigenda thereto, as may be required or desirable in relation to the Issue.*

7. *To approve opening of account with the bankers to the Issue such accounts as may be required by the regulations issued by SEBI and to authorise officials of the Company to operate bank accounts opened in terms of the escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Issue, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;*

8. *To approve any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, (given the proposed listing of the Company);*

9. *To authorise and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Issue;*

10. *To finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Issue (including anchor investors offer price), total number of Equity Shares to be reserved for allocation to eligible investors, categories of persons to whom offer is to be made, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Issue including any alteration, addition or making any variation in relation to the Issue;*

11. *To make allotment of equity shares, issue allotment letters/confirmation of allotment notes with power to authorise one or more officers of the Company to sign all or any of the aforestated documents including various corporate actions documents to be submitted with the depositories and registrar and share transfer agent, payment of stamp duty, if applicable;*

12. *To authorise and approve notices, advertisements in relation to the Issue in consultation with the relevant intermediaries appointed for the Issue;*

13. *To do all such acts, deeds, matters and things and authorise one or more officers of the Company to execute all such other documents, application(s), agreement(s), undertaking(s), affidavits, declarations and certificates, and/or to give such direction as it deems necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, in accordance with the relevant rules;*

14. *To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, the Registrar and Transfer Agent and such other agencies, authorities or bodies as may be required in this connection;*

15. *To withdraw the draft red herring prospectus, red herring prospectus and the Issue at any stage, if deemed necessary, in accordance with Applicable Laws and in consultation with the BRLMs;*

16. *To finalise and approve any and all notices, offer documents (including draft red herring prospectus, red herring prospectus and prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto) (as maybe applicable), as the case may be, in relation to the Issue, with the power to authorise one or more officers of the Company to negotiate, execute and deliver any or all of the these documents.*

17. *To approve applications for listing of the Equity Shares in one or more recognised stock exchange(s) in India and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) including in-principle approval and/ or final approval;*

18. *To authorise any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares;*

19. *To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any;*

20. *To determine the amount, the number of Equity Shares, terms of the issue of the equity shares, the categories of investors for the Pre-IPO Placement, if any including the execution of the relevant documents with the investors, in consultation with the BRLM(s), and rounding off, if any, in the event of oversubscription and in accordance with Applicable Laws;*

21. *To determine and approve the utilisation of proceeds of the Issue and accept and appropriate proceeds of the Issue in accordance with the Applicable Laws; and*

22. *To authorise officials of the Company to sign and execute various agreements, documents, deeds, papers on behalf of the Company, to represent the Company before any statutory or non-statutory authorities/ departments/ organisations, and to do all other acts, deeds and things as may be deemed necessary in relation to and in furtherance to the execution of the afore-said resolution.*

23. *To authorise officers of the Company to settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company."*

Composition and Meetings of IPO Committee

IPO Committee (IPOC) constituted by the Board of Directors comprises of one Independent Director, one Non-Executive and one Executive Director. The Committee met once during FY22 i.e., on August 16, 2021. The Composition of IPOC during FY22 and attendance details of its meetings is as follows:

Sr. No.	Name of the Directors	Designation	No. of IPO Committee Meetings held during FY22		
			Held	Entitled to attend	Attended
1	Mr. Pravin Agarwal	Chairman	1	1	1
2	Mr. A.R. Narayanaswamy	Member	1	1	1
3	Mr. Pratik Pravin Agarwal	Member	1	1	1

Details of Remuneration paid to the Directors

Mr. Pratik Pravin Agarwal is the Managing Director of the Company and was re-appointed for a term of 3 years w.e.f. June 01, 2021. As per the terms of appointment, the agreement can be terminated by giving 90 days' notice or equivalent pay by either of the sides. The said appointment, its terms and remuneration were approved by the shareholders of the Company in the Annual General Meeting of the Company held on December 31, 2020. Mr. Pratik Pravin Agarwal was paid a remuneration of ₹ 10,15,04,730# (Indian Rupees Ten Crore Fifteen Lakh Four Thousand Seven Hundred Thirty) during the year under review. This remuneration does not include gratuity and leave encashment since the same is calculated for all employees of the Company as a whole.

Further Mr. Manish Agrawal was paid a remuneration of ₹ 3,83,20,849/- (out of which ₹ 59,76,132 was recognised as Managerial Remuneration w.e.f. December 17, 2021) during the year under review. This remuneration does not include gratuity and leave encashment since the same is calculated for all employees of the Company as a whole.

Mr. Pravin Agarwal, Chairman and Non-executive Director, was not entitled to any remuneration during FY22.

The Independent Directors are being paid sitting fee of ₹ 1,00,000/- (Indian Rupees one lakh only) for attending each meeting of the Board and Committees of the Board. Remuneration by way of commission to Non-Executive Directors is paid pursuant to the approval of the Members and is decided by the Board of Directors and distributed to them based on their participation and contribution to the Board and certain Committee meetings, as-well-as, time spent on operational matters other than at meetings. Accordingly, pursuant to the approval of Members/Shareholders accorded in their meeting held on September 29, 2021 to pay remuneration to Independent Directors even in case of inadequate profits, the Nomination and Remuneration Committee and the Board, on May 20, 2022 approved the payment of Commission to 1 (one) of its Independent Directors for the FY22. The payment of said Commission is being placed for the approval of the Members/Shareholders of the Company in the ensuing Annual General Meeting.

For the FY22, the details of remuneration and sitting fees paid to Independent Directors, for attending the meetings of the Board and Committees of the Board, of the Company are given hereunder:

Sr. No.	Name of the Directors	Sitting Fee Paid (in `)
1	Mr. Arun Todarwal[1]	14,00,000
2	Mr. A.R. Narayanaswamy	41,00,000
3	Ms. Haixia Zhao[2]	27,00,000*
4	Mr. Anoop Seth	33,00,000

[1]Ceased to be a Director upon completion of his term of 5 years on July 24, 2021.

[2]Ceased to be a Director w.e.f. March 31, 2022.

*It is proposed to pay a commission of ₹ 33,00,000 to Ms. Haixia Zhao and the proposal is being placed for the approval of the Members/Shareholders in the ensuing Annual General Meeting.

#This does not include the adjustments of the perquisite tax of approx. ₹ 8,00,000.

General Body Meeting

Particulars of last three Annual General Meetings

Date	Venue	Time	Resolutions that were passed with requisite majority
September 29, 2021 (6th AGM)	**Held through Video Conference**	04:00 P.M.	1a. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 and the report of Board of directors thereto and report of Auditors thereon. 1b. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the report of the Auditors thereon. 2. Re-appointment of Mr. Pravin Agarwal as director of the Company 3. Confirmation of interim dividend paid on equity shares as final dividend 4. Re-appointment of Statutory Auditors for a period of 4 years 5. Approval of remuneration of the Cost Auditors' for the financial year 2022 6. Approval for conversion of loan into equity share capital of the Company (*Passed as a Special resolution*) 7. Approval for payment of remuneration by way of commission to Independent Directors of the Company (*Passed as a Special resolution*)

Date	Venue	Time	Resolutions that were passed with requisite majority
December 31, 2020 (5th AGM)	**Held through Video Conference**	11.00 A.M	1a. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 and the report of Board of directors thereto and report of Auditors thereon. 1b. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon. 2. Re-Appointment of Mr. Pratik Agarwal as Director of the Company. 3. Approval of remuneration of the Cost Auditors for FY 2021. 4. Appointment of Mr. Anoop Seth (DIN- 00239653) as an Independent Director for a term of 5 years 5. Re-appointment of Mr. Pratik Agarwal (DIN - 03040062) as Managing Director for a period of 3 years & fixation of remuneration (Passed as a Special resolution) 6. Authorisation for creation of charge on the assets of the Company under section 180(1)(a) of the Companies Act, 2013 (*Passed as a Special resolution*) 7. Transfer of Capital Redemption Reserve to Retained Earnings of the Company (*Passed as a Special resolution*) 8. Remuneration by way of commission to Independent Directors of the Company (*Passed as a Special resolution*)
September 30, 2019 (4th AGM)	**The O Hotel, Plot No 293, N Main Road, Vaswani Nagar, Ragvilas Society, Koregaon Park, Pune, Maharashtra 411001**	02.30 P.M	1a. To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended March 31, 2019 and the report of Board of directors thereto and report of Auditors thereon. 1b. To receive, consider and adopt the Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the report of the Auditors thereon. 2. To appoint a Director in place of Mr. Pravin Agarwal (DIN No: 00022096), who retires by rotation and being eligible offers himself for re-appointment. 3. Approval of remuneration of the Cost Auditors for FY 2020. 4. Approval of remuneration of Mr. Pratik Agarwal, Managing Director & CEO for a further period of two years w.e.f June 01, 2019 (*Passed as a Special resolution*) 5. To consider payment of commission to Non-Executive Independent Directors of the Company *(Passed as a Special resolution)* 6. To consider appointment of Mr. Alampallam Ramakrishnan Narayanaswamy (DIN- 00818169) as an Independent Director 7. To consider appointment of Ms. Haixia Zhao as an Independent Director

Details of resolutions passed by Postal Ballot

During the year under review following resolutions were passed on August 01, 2021, through Postal Ballot:

1. Initial Public Offer of Equity Shares.
2. Adoption of new set of Articles of Association.
3. Increase in investment for Non-Resident Indians and Overseas Citizens of India.
4. Confirmation/Ratification of Payment of Commission to Independent Directors.

Subsidiary, Associate and Joint Venture Companies

The Company had 39 subsidiaries, 1 associate and 8 joint venture companies as on March 31, 2022. The Annual Financial Statements of the subsidiary companies are placed before the Audit Committee and the Board of Directors of the Company. Significant issues pertaining to all subsidiary companies are also discussed at the Audit Committee meetings. The performance of all its subsidiaries is also quarterly reviewed by the Board. The minutes of all the subsidiary companies are placed before the Board and the attention of the directors is drawn from time to time upon significant transactions and arrangements entered with the subsidiary companies. During the period from March 31, 2022 till the date of this report, 10 Indian subsidiaries became the wholly owned subsidiaries of the Company.

Policy on material subsidiaries, as approved by the Board of Directors, may be accessed at the Company's website at www.sterlitepower.com

Related Party Transactions

All Related Party Transactions are reviewed and approved by the Audit Committee of the Board in accordance with the Act. No transaction with the related parties has a potential conflict with the Company's interest.

The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialisation and the Company's long-term strategy for sectoral investments, optimisation of market share, profitability, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on an arm's length basis and are intended in the Company's interests.

All material transactions entered into with Related Parties as defined under the Act during the FY22 were in the ordinary course of business and on an arm's length price. Suitable disclosures as required under the applicable Accounting Standards have been made in the notes to the Financial Statements.

The Board has approved the policy on Related Party Transactions, and the same can be viewed on the Company's website i.e. www.sterlitepower.com

Code of Conduct

The Company has adopted a 'Code of Business Conduct & Ethics' to meet the changing internal and external environment for its employees at all levels including senior management and directors. The Code can be viewed on the Company's website, that is, www.sterlitepower.com. The Code serves as a guide to the employees of the Company to make informed and prudent decisions and act on them.

Vigil Mechanism / Whistleblower Policy

The Company follows a strong vigil mechanism and had adopted a Whistle Blower Policy, along with the Code of Business Conduct & Ethics. The Whistle Blower Policy is the mechanism to help the employees of the Company and all external stakeholders to raise their concerns about any malpractice, impropriety, abuse or wrong-doing at an early stage and in the right way, without fear of victimisation, subsequent discrimination or disadvantage.

The policy encourages to raise concerns within the Company rather than overlooking a problem. All complaints under this policy are reported to the Group Head - Management Assurance, who is independent of operating management and business. Complaints can also be sent to the designated E-Mail ID: stl.whistleblower@vedanta.co.in . The Group Head - Management Assurance reviews the complaint and may investigate it or may assign to another competent person to investigate or assist in investigating the complaint.

Additional Disclosures

a. The Company has not received any complaints relating to child labour, forced labour, involuntary labour during the FY22.

General Shareholder Information

Distribution of Shareholding as on March 31, 2022

Sr. no	Category	Cases	% of Cases	No. of shares	% of shareholding
1	1 - 5000	105,151	99.60	10,425,617	17.04
2	5001 - 10000	247	0.23	887,695	1.45
3	10001 - 20000	95	0.089	664,720	1.08
4	20001 - 30000	23	0.021	264,035	0.43
5	30001 - 40000	13	0.012	227,793	0.37
6	40001 - 50000	9	0.008	199,659	0.32
7	50001 - 100000	17	0.016	612,889	1.00
8	100001 and above	16	0.015	47,899,494	78.29
	TOTAL:	**105,571**	**100.00**	**6,11,81,902**	**100.00**

Equity holding pattern as on March 31, 2022 is as under:

Name	Total Shares	% To Equity
Promoter		
Promoter	4,36,70,398	71.38
Promoter Group	18,63,453	3.05
Total of Promoter & Promoter Group (A)	**4,55,33,851**	**74.43**
Public Shareholders		
Institutions	51,186	0.08
Non-Institutions	1,39,48,005	22.79
Body Corporates	16,48,860	2.70
Total (B)	**1,56,48,051**	**25.57**
Total (A) + (B)	**6,11,81,902**	**100**

Dematerialisation of Shares and Liquidity

As on March 31, 2022, 60,143,848 equity shares representing 98.30% of total equity shares were held in electronic form. The Shareholders can hold the shares in de-mat form either through NSDL or CDSL. The ISIN allotted to the equity shares of the Company is INE110V01015.

Details of outstanding equity shares in the Unclaimed Suspense Account

The Company reports the following details in respect of equity shares lying in the suspense account as on March 31, 2022:

Particulars	Total No. of Shareholders	Shares lying in Unclaimed Suspense Account
As on April 1, 2021	5,350	4,24,877
Shareholders approached for transfer/delivery during FY 22	0	0
Shares transferred/delivered during FY 22	0	0
Balance as on March 31, 2022	**5,350**	**4,24,877**

Share Transfer System

The Company Secretary has been delegated powers to deal with all the matters related to transfers, transmission, issuance of duplicate share/debenture certificates, split and/or consolidation requests. In addition, the Company Secretary and authorised officials of the Registrar and Transfer Agents of the Company have been given powers to endorse registration of transfers on share certificates. The Company's shares being in compulsory de-mat list are also transferred through the depository system. The Company has entered into agreements with both the depositories NSDL & CDSL. KFin Technologies Private Limited, Hyderabad is the Registrar and Transfer Agent for both physical and electronic mode of transfer of shares. Requests for Transfer/Transmission of shares held in physical form can be lodged with the Company's Registrar and Transfer Agent, KFin Technologies Private Limited and shall be transferred as per the provisions of the Act as may be prescribed from time to time. The requests are generally processed within 10-15 days of receipt of documents, if documents are complete and valid in all respects. Shares under objection are returned within 7-10 days.

Registrar & Transfer Agents

KFin Technologies Limited (formerly known as Karvy Fintech Private Limited), Hyderabad is the Registrar and Transfer Agent of the Company. Shareholders, beneficial owners and Depository Participants, (DPs) can send / deliver the documents / correspondence relating to the Company's share transfer activity, etc. to KFin Technologies Limited at the following address:

KFin Technologies Limited
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad - 500 032, Telangana.
Phone No.: 040 67161524,
New Toll-free Number: 1-800-309-4001
E-mail: einward.ris@kfintech.com

Shareholders' correspondence should be addressed to the Company's Registrar and Transfer Agents at the above-mentioned address. In case of unresolved complaints, the Members may also write to the Company Secretary & Compliance Officer at the office of the Company as detailed below:

Sterlite Power Transmission Limited
DLF Cyber Park, Block B, 9th Floor,
Udyog Vihar Phase III, Sector- 20,
Gurugram, Haryana- 122008
Ph. - 0124 4562000
E-mail: secretarial.grid@sterlite.com

Registered Office:

4th Floor, Godrej Millennium
9 Koregaon Road, Pune – 411 001
Maharashtra, India

Plant Locations:

Rakholi	Survey No. 99/2/P, Rakholi Village, Madhuban Dam Road, Silvassa 396230, Union Territory of Dadra & Nagar Haveli, India
Piparia	Survey No. 209, Phase-II, Piparia Industrial Estate, Silvassa -396230, UT of Dadra & Nagar Haveli, India
Jharsuguda	Near Vedanta Limited, Bhurkhamunda, PO- Kalimandir Road, Dist – Jharsuguda, Odisha – 768202, India
Haridwar	Sector – 5, Vardhaman Industrial Estate, Bahadurpur Saini, Roorkee, Haridwar – 249 402, Uttarkhand India

Annexure B

FORM NO. AOC-2

Details of Related Party Transaction

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis: NA

Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any. (Amount in ₹ million)	Date(s) of approval by the Board	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Justification for entering into such contracts or arrangements or transactions	Amount paid as advances, if any:
1	Udupi Kasargode Transmisison Limited	Subsidiary of Joint Venture	Revenue from EPC Contract	Ongoing	2,394.31	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	405.92
2	Khargone Transmission Limited	Subsidiary	Revenue from EPC Contract	Ongoing	375.88	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
3	Mumbai Urja Marg Limited (Formerly known as Vapi II-North Lakhimpur Transmission Limited)	Subsidiary of Joint Venture	Revenue from EPC Contract	Ongoing	6,359.68	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
4	Goa-Tamnar Transmission Project Limited	Subsidiary of Joint Venture	Revenue from EPC Contract	Ongoing	2,004.29	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
5	Lakadia Vadodara Transmission Project Limited	Subsidiary of Joint Venture	Revenue from EPC Contract	Ongoing	9,186.81	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
6	Nangalbibra-Bongaigaon Transmission Limited	Subsidiary	Revenue from EPC Contract	Ongoing	54.06	February 03, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	843.49
7	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	Sale of goods	Ongoing	35.36	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	

Annexure B

Details of contracts or arrangements or transactions not at arm's length basis: NA

Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any. (Amount in ₹ million)	Date(s) of approval by the Board	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Justification for entering into such contracts or arrangements or transactions	Amount paid as advances, if any:
8	Sterlite Convergence Limited	Subsidiary	Sale of goods	Ongoing	6.87	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
9	Khargone Transmission Limited	Subsidiary	Management Fees Income	Ongoing	8.92	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
10	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	Management Fees Income	Ongoing	24.99	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
11	Indigrid Investment Managers Limited (Formerly Sterlite Investment Managers Limited)	Associate*	Management Fees Income	Ongoing	0.73	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
12	Sterlite Brazil Participicos,S.A., Brazil	Subsidiary	Management Fees Income	Ongoing	19.27	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
13	Sterlite Grid 14 Limited	Joint Venture	Miscellaneous income	Ongoing	3.07	August 30, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
14	Sterlite Grid 29 Limited	Joint Venture	Miscellaneous income	Ongoing	0.64	August 30, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
15	Sterlite Brazil Participicos,S.A., Brazil	Subsidiary	Performance bank guarantee charge recoverey	Ongoing	21.93	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
16	Vedanta Limited	Fellow Subsidiary	Purchase of goods and services	Ongoing	10,647.67	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
17	Bharat Aluminium Company Limited	Fellow Subsidiary	Purchase of goods and services	Ongoing	2,195.46	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	

*Associate till January 14, 2022

Annexure B

Details of contracts or arrangements or transactions not at arm's length basis: NA

Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any. (Amount in ₹ million)	Date(s) of approval by the Board	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Justification for entering into such contracts or arrangements or transactions	Amount paid as advances, if any:
18	ESL Steel Limited	Fellow Subsidiary	Purchase of goods and services	Ongoing	405.88	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
19	Sterlite Technologies Limited	Fellow Subsidiary	Purchase of goods and services	Ongoing	104.79	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
20	Hindustan Zinc Limited	Fellow Subsidiary	Purchase of goods and services	Ongoing	0.20	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
21	Vedanta Limited	Fellow Subsidiary	Purchase of Power	Ongoing	31.33	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	
22	Sterlite Technologies Limited	Fellow Subsidiary	Availing Services	Ongoing	1.00	May 21, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	

**Apart from the above, additional related party transactions entered during the year under review, are disclosed at Note no. 45 of the standalone financial statements of the Company*

For and on behalf of the Board of Directors of
Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096

Date: August 23, 2022
Place: Aurangabad

Annexure C

PARTICULARS OF SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES AS ON MARCH 31, 2022

S. No.	Name and Address of the Company	Subsidiary/Associate/ Joint Venture
1.	Sterlite Grid 5 Limited Add: 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1 Pune-411001	Subsidiary Company
2.	Sterlite Grid 6 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
3.	Sterlite Grid 7 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
4.	Sterlite Grid 8 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
5.	Sterlite Grid 9 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
6.	Sterlite Grid 10 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
7.	Sterlite Grid 11 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
8.	Sterlite Grid 12 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
9.	Sterlite Grid 15 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
10.	Sterlite Grid 16 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
11.	Sterlite Grid 17 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
12.	Sterlite Grid 19 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
13.	Sterlite Grid 20 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
14.	Sterlite Grid 21 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
15.	Sterlite Grid 22 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
16.	Sterlite Grid 23 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
17.	Sterlite Grid 24 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
18.	Sterlite Grid 25 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
19.	Sterlite Grid 26 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
20.	Sterlite Grid 27 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
21.	Sterlite Grid 28 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
22.	Sterlite Grid 30 Limited (Erstwhile NRSS XXIX (JS) Transmission Limited) Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
23.	OneGrid Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
24.	Khargone Transmission Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company

S. No.	Name and Address of the Company	Subsidiary/Associate/ Joint Venture
25.	Nangalbibra-Bongaigaon Transmission Limited[1] Add: YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec. 13, Opp. Metro, Near Radisson Blu, New Delhi-110078	Subsidiary Company
26.	Sterlite Convergence Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
27.	Maharashtra Transmission Communication Infrastructure Limited[2] Add: Prakashganga Plot No. C 19, E Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051	Subsidiary Company
28.	Sterlite EdIndia Foundation (Section 8 Company) Add: Maker Maxity, 5 North Avenue, Level 5th Bandra Kurla Complex, Bandra East Mumbai City Maharashtra- 400051	Subsidiary Company
29.	SE Vineyards Transmissão de Energia S.A Add:- Avenida Rio Branco, 1, 12th Floor, 1201, Bairro Centro, CEP: 20090-907, Rio de Janeiro, Brazil	Subsidiary Company
30.	Sterlite Brazil Participacoes S.A. Add: Avenida Rio Branco, 1, 12th floor, 1201, Bairro Centro, Rio de Janeiro, Brazil CEP: 20090-907	Subsidiary Company
31.	Borborema Transmissão de Energia S.A. Add: Dr. Cardoso de Melo Avenue, No. 1308, 8th floor, Vila Olímpia, City of São Paulo/SP, ZIP Code No. 04548-004	Subsidiary Company
32.	São Francisco Transmissão de Energia S.A. Add: Dr. Cardoso de Melo Avenue, No. 1308, 8th floor, Vila Olímpia, City of São Paulo/SP, ZIP Code No. 04548-004	Subsidiary Company
33.	Goyaz Transmissão de Energia S.A. Add: Dr. Cardoso de Melo Avenue, No. 1308, 8th floor, Vila Olímpia, City of São Paulo/SP, ZIP Code No. 04548-004	Subsidiary Company
34.	Marituba Transmissão de Energia S.A. Add: Dr. Cardoso de Melo Avenue, No. 1308, 8th floor, Vila Olímpia, City of São Paulo/SP, ZIP Code No. 04548-004	Subsidiary Company
35.	Solaris Transmissão de Energia S.A. Add: Dr. Cardoso de Melo Avenue, No. 1308, 8th floor, Vila Olímpia, City of São Paulo/SP, ZIP Code No. 04548-004	Subsidiary Company
36.	Vineyards Participações S.A. Add: Dr. Cardoso de Melo Avenue, No. 1308, 8th floor, Vila Olímpia, City of São Paulo/SP, ZIP Code No. 04548-004	Subsidiary Company
37.	GBS Participações S.A (Erstwhile Borborema Participações S.A.) Add: Dr. Cardoso de Melo Avenue, No. 1308, 8th floor, Vila Olímpia, City of São Paulo/SP, ZIP Code No. 04548-004	Subsidiary Company
38.	Jaçanã Energia Ltd[3] Add: Dr. Cardoso de Melo Avenue, No. 1308, 8th floor, Vila Olímpia, City of São Paulo/SP, ZIP Code No. 04548-004	Subsidiary Company
39.	Olindina Participaçõies S.A. (Erstwhile Jaçanã Transmissão de Energia S.A)[4] Add: Dr. Cardoso de Melo Avenue, No. 1308, 8th floor, Vila Olímpia, City of São Paulo/SP, ZIP Code No. 04548-004	Subsidiary Company
40.	Sterlite Grid 13 Limited Add: YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec. 13, Opp. Metro, Near Radisson Blu, New Delhi-110078	Joint Venture Company
41.	Sterlite Grid 14 Limited[5] Add: YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec. 13, Opp. Metro, Near Radisson Blu, New Delhi-110078	Joint Venture Company
42.	Sterlite Grid 18 Limited[5] Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Joint Venture Company

S. No.	Name and Address of the Company	Subsidiary/Associate/ Joint Venture
43.	Sterlite Grid 29 Limited[5] Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Joint Venture Company
44.	Goa-Tamnar Transmission Project Limited[5] Add: YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu, New Delhi- 110078	Subsidiary of Joint Venture Company
45.	Mumbai Urja Marg Limited (Erstwhile Vapi II-North Lakhimpur Transmission Limited) Add: YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec. 13, Opp. Metro, Near Radisson Blu, New Delhi-110078	Subsidiary of Joint Venture Company
46.	Udupi Kasargode Transmission Limited[5] Add: YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec. 13, Opp. Metro, Near Radisson Blu, New Delhi-110078	Subsidiary of Joint Venture Company
47.	Lakadia-Vadodara Transmission Project Limited[5] Add: YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec. 13, Opp. Metro, Near Radisson Blu, New Delhi-110078	Subsidiary of Joint Venture Company
48.	Sterlite Interlinks Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Associate Company

[1] Became subsidiary w.e.f. from December 16, 2021
[2] became subsidiary w.e.f. March 31, 2022
[3] became subsidiary w.e.f. February 21, 2022
[4] became subsidiary w.e.f. February 01, 2022
[5] became joint-venture w.e.f. April 06, 2021

Annexure D

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES AS PER COMPANIES ACT, 2013

FORM AOC-1 - PART A : SUBSIDIARIES

(₹ in million)

S. No.	Name of Subsidiary	Business Activity	The date since when subsidiary was acquired /incorporated	Country of Incorporation	Reporting currency	Exchange rate (₹)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment**	Turnover*	Profit / (loss) before taxation	Provision for taxation	Profit /(loss) after taxation	Proposed dividend	% of Eq. Holding
1	Sterlite Grid 5 Limited	Building transmission lines on BOOM basis through its subsidiaries	27-09-2016	India	₹	NA	0.50	415.64	1,521.36	1,105.22	1,497.99	0.00	(115.54)	0.15	(115.70)	Nil	100.00
2	Sterlite Grid 6 Limited	Building transmission lines on BOOM basis through its subsidiaries	14-08-2017	India	₹	NA	0.50	(3.31)	0.02	2.83	0.00	0.00	(0.83)	0.00	(0.83)	Nil	100.00
3	Sterlite Grid 7 Limited	Building transmission lines on BOOM basis through its subsidiaries	01-09-2017	India	₹	NA	0.50	(2.23)	0.03	1.76	0.00	0.00	(0.85)	0.00	(0.85)	Nil	100.00
4	Sterlite Grid 8 Limited	Building transmission lines on BOOM basis through its subsidiaries	11-10-2017	India	₹	NA	0.50	(2.15)	0.01	1.66	0.00	0.00	(0.84)	0.00	(0.84)	Nil	100.00
5	Sterlite Grid 9 Limited	Building transmission lines on BOOM basis through its subsidiaries	13-10-2017	India	₹	NA	0.50	(2.14)	0.01	1.65	0.00	0.00	(0.83)	0.00	(0.83)	Nil	100.00
6	Sterlite Grid 10 Limited	Building transmission lines on BOOM basis through its subsidiaries	13-10-2017	India	₹	NA	0.50	(2.14)	0.01	1.65	0.00	0.00	(0.83)	0.00	(0.83)	Nil	100.00
7	Sterlite Grid 11 Limited	Building transmission lines on BOOM basis through its subsidiaries	13-10-2017	India	₹	NA	0.50	(3.54)	0.01	3.05	0.00	0.00	(0.83)	0.00	(0.83)	Nil	100.00
8	Sterlite Grid 12 Limited	Building transmission lines on BOOM basis through its subsidiaries	16-10-2017	India	₹	NA	0.50	(3.48)	0.01	2.99	0.00	0.00	(1.42)	0.00	(1.42)	Nil	100.00
9	Sterlite Grid 15 Limited	Building transmission lines on BOOM basis through its subsidiaries	25-09-2018	India	₹	NA	0.50	(2.44)	0.56	2.50	0.00	0.00	(0.82)	0.00	(0.82)	Nil	100.00
10	Sterlite Grid 16 Limited	Building transmission lines on BOOM basis through its subsidiaries	30-01-2019	India	₹	NA	0.50	(1.24)	0.00*	0.74	0.00	0.00	(0.03)	0.00	(0.03)	Nil	100.00
11	Sterlite Grid 17 Limited	Building transmission lines on BOOM basis through its subsidiaries	04-02-2019	India	₹	NA	0.50	(1.24)	0.00*	0.74	0.00	0.00	(0.03)	0.00	(0.03)	Nil	100.00

(₹ in million)

S. No.	Name of Subsidiary	Business Activity	The date since when subsidiary was acquired /incorporated	Country of Incorporation	Reporting currency	Exchange rate (₹)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment**	Turnover*	Profit / (loss) before taxation	Provision for taxation	Profit /(loss) after taxation	Proposed dividend	% of Eq. Holding
12	Sterlite Grid 19 Limited	Building transmission lines on BOOM basis through its subsidiaries	01-02-2019	India	₹	NA	0.50	(1.84)	0.01	1.35	0.00	0.00	(0.63)	0.00	(0.63)	Nil	100.00
13	Sterlite Grid 20 Limited	Building transmission lines on BOOM basis through its subsidiaries	01-02-2019	India	₹	NA	0.50	(1.96)	0.02	1.48	0.00	0.00	(0.63)	0.00	(0.63)	Nil	100.00
14	Sterlite Grid 21 Limited	Building transmission lines on BOOM basis through its subsidiaries	05-02-2019	India	₹	NA	1.00	(1.84)	0.02	0.86	0.00	0.00	(0.63)	0.00	(0.63)	Nil	100.00
15	Sterlite Grid 22 Limited	Building transmission lines on BOOM basis through its subsidiaries	28-02-2019	India	₹	NA	1.00	(1.83)	0.01	0.84	0.00	0.00	(0.62)	0.00	(0.62)	Nil	100.00
16	Sterlite Grid 23 Limited	Building transmission lines on BOOM basis through its subsidiaries	13-03-2019	India	₹	NA	1.00	(0.65)	0.68	0.33	0.00	0.00	(0.03)	0.00	(0.03)	Nil	100.00
17	Sterlite Grid 24 Limited	Building transmission lines on BOOM basis through its subsidiaries	12-03-2019	India	₹	NA	1.00	(1.25)	0.35	0.60	0.00	0.00	(0.03)	0.00	(0.03)	Nil	100.00
18	Sterlite Grid 25 Limited	Building transmission lines on BOOM basis through its subsidiaries	18-03-2019	India	₹	NA	1.00	(0.66)	0.35	0.01	0.00	0.00	(0.03)	0.00	(0.03)	Nil	100.00
19	Sterlite Grid 26 Limited	Building transmission lines on BOOM basis through its subsidiaries	25-03-2019	India	₹	NA	1.00	(1.32)	526.34	526.66	350.10	0.00	(0.10)	0.00	(0.10)	Nil	100.00
20	Sterlite Grid 27 Limited	Building transmission lines on BOOM basis through its subsidiaries	19-03-2019	India	₹	NA	1.00	(1.27)	0.36	0.63	0.00	0.00	(0.63)	0.00	(0.63)	Nil	100.00
21	Sterlite Grid 28 Limited	Building transmission lines on BOOM basis through its subsidiaries	07-06-2019	India	₹	NA	1.00	(2.01)	0.19	1.20	0.00	0.00	(1.26)	0.00	(1.26)	Nil	100.00
22	Sterlite Grid 30 Limited	Building transmission lines on BOOM basis through its subsidiaries	07-09-2017	India	₹	NA	0.50	(0.73)	0.02	0.25	0.00*	0.00	(0.20)	0.00	(0.20)	Nil	100.00
23	Khargone Transmission Limited	Construction and development of Power transmission lines	22-08-2016	India	₹	NA	15.60	(242.21)	15,833.61	16,060.22	0.00	1,345.68	13.74	22.38	(8.64)	Nil	100.00
24	Sterlite EdIndia Foundation (Section 8 Company)	CSR related Activities	07-08-2019	India	₹	NA	0.50	2.07	3.92	1.35	0.00	0.00	1.10	0.00	1.10	Nil	99.95

(₹ in million)

S. No.	Name of Subsidiary	Business Activity	The date since when subsidiary was acquired /incorporated	Country of Incorporation	Reporting currency	Exchange rate (₹)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment**	Turnover*	Profit / (loss) before taxation	Provision for taxation	Profit /(loss) after taxation	Proposed dividend	% of Eq. Holding
25	Sterlite Convergence Limited#	Build, Own, Operate, Manage, Sell, and lease technology - neutral last mile access, Intra-city Aggregaton and long distance links including passive and active infrastructure and telecom networks.	16-06-2017	India	₹	NA	0.50	(32.15)	318.97	350.63	0.00	33.05	(15.49)	0.00	(15.49)	Nil	100.00
26	OneGrid Limited	Build, Own, Operate, Manage, Sell, and lease technology - neutral last mile access, Intra-city Aggregaton and long distance links including passive and active infrastructure and telecom networks.	24-09-2020	India	₹	NA	0.10	(0.07)	0.06	0.03	0.00	0.00	(0.04)	0.00	(0.04)	Nil	100.00
27	Nangalbibra-Bongaigaon Transmission Limited^^	Construction and development of Power transmission lines	16-12-2021	India	₹	NA	350.10	(3.72)	1,304.34	957.96	0.00	0.00	(3.72)	0.00	(3.72)	Nil	100.00
28	Maharashtra Transmission Communication Infrastructure Limited^^	Build, Own, Operate, Manage, Sell, and lease technology - neutral last mile access, Intra-city Aggregaton and long distance links including passive and active infrastructure and telecom networks.	31-03-2022	India	₹	NA	345.51	(125.30)	2,359.32	2,139.11	0.00	0.00	0.00	0.00	0.00	Nil	51.00
29	Sterlite Brazil Participacoes S.A.	Construction and development of Power transmission lines	26-05-2017	Brazil	₹	16.01	5,938.17	53.99	10,548.09	4,555.92	9,488.11	-	248.51	337.20	(88.68)	Nil	74.92
30	SE Vineyards Power Transmission S.A.	Construction and development of Power transmission lines	26-05-2017	Brazil	₹	16.01	1,040.79	562.49	7,613.58	6,010.30	-	1,154.81	(3.57)	1.12	(4.69)	Nil	74.92
31	Dunas Transmissão de Energia S.A.^	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.01	-	-	-	-	-	6.66	4.46	1.51	2.95	Nil	74.92
32	GBS Participações S.A (Erstwhile Borborema Participacoes S.A)^^	Construction and development of Power transmission lines	16-04-2021	Brazil	₹	16.01	7,609.79	(301.24)	16,881.67	9,573.12	13,176.86	-	(263.23)	-	(263.23)	Nil	74.92

(₹ in million)

S. No.	Name of Subsidiary	Business Activity	The date since when subsidiary was acquired /incorporated	Country of Incorporation	Reporting currency	Exchange rate (₹)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment**	Turnover*	Profit / (loss) before taxation	Provision for taxation	Profit /(loss) after taxation	Proposed dividend	% of Eq. Holding
33	Borborema Transmissão de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.01	2,520.85	(130.89)	6,719.00	4,329.04	-	4,020.95	63.57	134.84	(71.27)	Nil	74.92
34	São Francisco Transmissão de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.01	558.91	(28.03)	626.83	95.96	-	146.47	7.88	3.25	4.62	Nil	74.92
35	Goyas Transmissão de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.01	5,585.28	(330.72)	6,473.13	1,218.58	-	2,571.76	(191.89)	79.18	(271.07)	Nil	74.92
36	Marituba Transmissão de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.01	3,826.99	(15.27)	4,666.90	855.17	-	923.02	(26.98)	(9.17)	(17.80)	Nil	74.92
37	Solaris Transmissao de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.01	2,825.55	141.44	7,120.73	4,153.74	-	4,313.09	286.05	141.62	(144.42)	Nil	74.92
38	Vineyards Participacoes S.A.	Construction and development of Power transmission lines	01-12-2020	Brazil	₹	16.01	770.27	(367.96)	3,044.90	2,642.59	3,043.44	-	(321.52)	-	(321.52)	Nil	74.92
39	Jaçanã Energia Ltd	Construction and development of Power transmission lines	21-02-2022	Brazil	₹	16.01	-	-	-	-	-	-	-	-	-	-	74.92
40	Olindina Participações S.A. (Erstwhile Jaçanã Transmissão de Energia S.A)	Construction and development of Power transmission lines	01-02-2022	Brazil	₹	16.01	-	-	-	-	-	-	-	-	-	-	74.92

^ *Subsidiary sold during the year*
^^ *Entity acquired/ incorporated during the year*
* *Turnover does not include other income*
** *Investment include investment classified as held for sale*
\# *Based on un-audited financial statements*

BRL Closing Rate for Balance Sheet Items: 16.01; BRL Average Rate for P&L items: 13.99

Names of Subsidiaries which are yet to commence operations -
NIL

Names of Subsidiaries which have been liquidated or sold during the year -
Dunas Transmissão de Energia S.A.

FORM AOC-1 - PART B : ASSOCIATES & JOINT VENTURES

STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

S. No.	Name of Associate / Joint Ventures	Sterlite Interlinks Limited	Sterlite Grid 13 Limited#	Sterlite Grid 14 Limited#	Sterlite Grid 18 Limited#	Sterlite Grid 29 Limited#
1	Latest audited Balance Sheet date	31-Mar-22	31-03-2022	31-Mar-22	31-Mar-22	31-Mar-22
2	Date on which the Associate or Joint Venture was associated or acquired	27-Mar-19	31-Mar-21	06-Apr-21	06-Apr-21	06-Apr-21
3	Shares of Associate/Joint Ventures held by the Company on the year end	49.00%	50.00%	50.00%	50.00%	50.00%
a	Number	4,900	3,10,000	60,000	6,18,61,000	3,90,69,483
b	Amount of investment (At face value)	49,000	31,00,000	6,00,000	61,86,10,000	39,06,94,830
c	% of holding	49.00%	50.00%	50.00%	50.00%	50.00%
4	Description of how there is significant influence	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding
5	Reason why the associate / joint venture is not consolidated	NA	NA	NA	NA	NA
6	Networth attributable to shareholding as per latest audited Balance sheet	12.76	(146.43)	(56.35)	(100.57)	247.12
7	Profit/Loss for the year	0.34	(285.26)	(98.13)	(507.16)	(298.49)
a	Considered in consolidation	0.17	(142.63)	(49.06)	(253.58)	(149.25)
b	Not considered in consolidation	NA	NA	NA	NA	NA

 # Based on un-audited consolidated financial statements

1. *Names of associate or joint ventures which are yet to comemnce operations :- Nil*
2. *Names of associate or joint ventures which have been liquidated or sold during the year : NER- II Transmission Limited & IndiGrid Investment Managers Limited*

For and on behalf of the Board of Directors of
Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN-00022096

Date: August 23, 2022
Place: Aurangabad

Sd/-
Pratik Agarwal
Managing Director
DIN- 03040062

Date: August 23, 2022
Place : Mumbai

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN-ACTPB6336M

Date: August 23, 2022
Place : Gurugram

Sd/-
Ashok Ganesan
Company Secretary
FCS-5190

Date: August 23, 2022
Place : Gurugram

Annexure E

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31,2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)]

To,
The Members
STERLITE POWER TRANSMISSION LIMITED
CIN: U74120PN2015PLC156643
4th Floor, Godrej Millennium,
9 Koregaon Road, Pune -411001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **STERLITE POWER TRANSMISSION LIMITED**(hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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 March 31, 2022("**Audit Period**") 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 March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment("FDI"), Overseas Direct Investments ("ODI") and External Commercial Borrowings("ECB"). **(No fresh FDI and ECB was taken and no ODI was made by the Company during the Audit Period)**

(v) 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 to the Company during the Audit Period)**;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company during the Audit Period)**;

c) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015; **(Not applicable to the Company during the Audit Period)**;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(SEBI "**ICDR**" Regulations)

e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021] **(Not applicable to the Company during the Audit Period)**;

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021as a-**(Not applicable to the Company during the Audit Period)**;

g) 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; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period)**

(a) The Securities and Exchange Board of India (Delisting of Equity Shares)Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021**Not applicable to the Company during the Audit Period)**;and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018**(Not applicable to the Company during the Audit Period)**.

The company is a leading global power transmission developer and solutions provider that is solving problems at the intersection of time, space and capital through its Operational &Manufacturing plants and as per the information provided and confirmed by the Management, no sector specific law applicable on the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2).

(ii) The Listing Agreements entered into by the Company with the BSE Limited("BSE") and National Stock Exchange of India("NSE"). **(Not applicable to the Company during the period as the Company is not listed with any of the stock exchange(s)**.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above:

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Women 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.

2. Adequate notice of at least seven days (except few Board meetings which were held at shorter notice in compliance with the Act) was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.

3. All decisions at Board Meetings are carried out unanimously and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the Board meetings.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) issued by Managing Director and Company secretary of the Company and taken on record by the Board of Directors at their meeting (s),We further report 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 undertaken the following event / action which may be construed as major in pursuance of above referred laws, rules, regulations; guidelines, standards etc.

1. The Board of Directors at its meeting held on March 22, 2021 had approved a Scheme of Amalgamation of Sterlite Grid 4 Limited (Transferor company), a wholly owned subsidiary company with Sterlite Power Transmission Limited(Transferee company)under sections 230 to 232and other applicable provisions of the Act and subject to the approval of any other statutory / regulatory authorities. The company along with transferor company had filed an application under Section 230 of the Act with National Company Law Tribunal(NCLT), Mumbai Bench for approval of Scheme of Amalgamation. The Hon'ble NCLT, Mumbai Bench has sanctioned the Scheme of Amalgamation vide its order pronounced on February 17, 2022 wherein the appointed date of Scheme is April 1, 2020.

2. Special Resolution was passed by the members through Postal Ballot on August 01, 2021 to:

   - create, offer, issue and allot Equity Shares up to an aggregate of ₹ 2,000/- crores pursuant to the fresh issue of securities by way of Initial Public offer (IPO) under Section 23, Section 62(1)(c) of the Act read with Securities(Contracts)Regulation Act,1956 and SEBI ICDR Regulations including a Pre- IPO placement of Equity Shares for an amount aggregating up to ₹ 1000/- crores.
   - Adopt new set of Articles of Association of the Company in accordance with the provisions of section 14 of the Act.

3. The Board of directors of the company vide its Board resolution dated August 07, 2021 approved and adopted Draft Red Herring Prospectus for the proposed initial public offer of the Equity Shares of the Company for an aggregate amount of ₹ 1,250/- Crores (One thousand two hundred and fifty crores) for filing with the Securities and Exchange Board of India ("SEBI") and the relevant stock exchanges, as the case may be, in accordance with the Act, and the SEBI ICDR Regulations.

4. The Company has filed the DRHP with SEBI, BSE & NSE and also received in principal approval from BSE on September, 30, 2021 and from NSE November 24, 2021 respectively.

For **DMK ASSOCIATES**
Company Secretaries

Sd/-
(DEEPAK KUKREJA)
FCS, LLB., ACIS (UK), IP.
PARTNER
CP No.8265
FCS No. 4140
Peer Review No. 779/2020
UDIN: F004140D000672522

Date: July 22, 2022
Place: New Delhi

Annexure 1

To,
The Members
STERLITE POWER TRANSMISSION LIMITED
CIN: U74120PN2015PLC156643
4th Floor, Godrej Millennium,
9 Koregaon Road, Pune -411001

Sub: Our Secretarial Audit Report for the Audit Period is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.

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.

7. As per the information provided by the Company, there are certain disputes cases filed by or against the Company, which are currently lying pending with the various Courts. However, as informed, these cases have no major impact on the Company.

For **DMK ASSOCIATES**
Company Secretaries

Sd/-
(DEEPAK KUKREJA)
FCS, LLB., ACIS (UK), IP.
PARTNER
CP No.8265
FCS No. 4140
Peer Review No. 779/2020
UDIN: F004140D000672522

Date: Date: July 22, 2022
Place: New Delhi

Annexure F

The particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as prescribed under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014

POWER CONDUCTORS & OPGW:

A. Conservation of energy

1. The steps taken or impact on conservation of energy
   - Precleaning line units/km to increase the line speed by 20 mpm. Avg unit's savings per month by 600 units at OPGW plant and productivity improved by 20 kms/day
   - Interlocking of compressed air with machine start/stop function at Conforming line & Precleaning line to reduce compressed air consumption at OPGW plant by 2800 units/month
   - Tubular machine frequency and line speed increased by 200 rpm to increase the FG km and reduced the units/km by 900 units/month
   - Alloy Rod manufacturing without using IH in Rolling Mill, Saving 30 Units/MT, i.e., 30000 Units/month at PTB-Rakholi.
   - Optimization of compressed air consumption in plant by addressing leakages and wasting of air requirement in RM section, Saving 1800 Units/Month at PTB-Rakholi.
   - Ageing furnace capacity utilization improved by 25% in HPC production, Saving 40 Units /MT i.e., 40000 Units /Month at PTB-Rakholi.
   - Installation of VFD
     - i. at RBD machine take up unit in place of DC motor and drive to reduce the energy consumption.
     - ii. in place of conventional star-delta starter at high-speed mixer motor to reduce the energy consumption.
     - iii. in place of conventional star-delta starter at fan motors of AHU to reduce the energy consumption.
   - Optimized and reduced the electrical capacity of process water circulation pumps to reduce the energy consumption.
2. The steps taken by the Company for utilizing alternate sources of energy
   - 2.64 Lacs units generated /year from solar power plant of capacity 250 KWp at PTB-Rakholi
3. The capital investment on energy conservation equipment's
   - New wire drawing machine installation done which is running at higher speed which reduced the power consumption by 3600 units/month at OPGW plant.
   - Energy efficient air compressor installed to save in power consumption units in place of in-efficient Compressor at Rakholi plant.

B. TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption
   - Aluminum Clad Stainless steel tube design, Design C-12.85 mm 48F with higher strain margin OPGW
   - Aluminum Clad PBT tube OPGW, PBT-15.0 MM 48F, 101 KN with High UTS PBT design with special type tests like Polynomials at OPGW Plant
   - Dual Layer central Steel tube design, Design E-17.5 mm 48F, 16KA with High Short Circuit rating 16 KA for 1 second in Domestic Region at OPGW Plant
   - Design C-16.5 mm 24F designed for Higher longer span 1100 meters at OPGW Plant
   - NEW RTPFC Panel with thyristor control commissioned in Rakholi plant to get Unity Power Factor at PTB-Rakholi
   - Hydraulic Lifter Installed In aging furnaces for Safe Loading of Bobbins in furnaces at PTB-Rakholi
   - Revamping of Aluminum melting furnace with Upgraded Castable Instead of OLD alumina Brick wall technology to reduce fuel consumption and to Improve Furnace Health at PTB-Rakholi
   - Installed Lead Sheathing machine for EHV cables.

2. **The benefits derived like product improvement, cost reduction, product development or import substitution**
    - HPC Product power unit consumption reduced by 25 units/mt by optimizing aging cycle at PTB-Piparia plant
    - STALL ROD Product power unit consumption reduced by 100 units/mt by optimizing aging cycle to 110 hrs. from 140 hrs. at PTB-Piparia plant
    - GAP conductor productivity improved by 5 Km/day at PTB-Piparia
    - AAAC units/mt reduced by 20 units/mt by improving productivity and optimizing aging cycle at PTB -Piparia
    - HPC Product power unit consumption reduced by 20 units/MT by optimizing aging cycle and capacity utilization at PTB-Rakholi plant
    - STALL ROD Product power unit consumption reduced by 450 units/MT by optimizing aging cycle to 110 hrs. from 140 hrs. at PTB-Rakholi plant
    - Dulling capacity optimized to 12 KM dulling /Day at PTB-Rakholi plant
    - RM alloy units/mt reduced by 30 units/mt by improving furnace Health and changing in process at PTB-Rakholi plant
    - ACCC units /MT reduced to 20 Units /MT by improving productivity and Aging furnace utilization at PTB-Rakholi plant
    - The Company supplied Fibre integrated power cable (FIPC) cable to Delhi utility as innovative product and made Lead sheathed cable first time in our plant & sent for type testing.
    - Substitute XLPE material for 33 kV from global make to indigenous make.
    - Third Party PQ test from CPRI Bangalore for 220Kv 2000Sq.mm CU cable.

3. **Details of Foreign Exchange Earnings and Outgo during the FY2022 are as under:**

FY 2022	₹ Million
The foreign exchange earned in terms of actual inflows during the year	12,699.34
Foreign exchange outgo during the year in terms of actual outflows	3,122.16

Annexure G

CORPORATE SOCIAL RESPONSIBILITY

1. **A brief outline of the Company's Corporate Social Responsibility Policy**

   The Company is committed to conduct its business in a socially responsible, ethical, and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational areas.

2. **The composition of the CSR Committee (as on March 31, 2022):**

S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. A.R. Narayanaswamy	Member/ Independent Director	2	2
2.	Mr. Pravin Agarwal	Member/ Non-executive Director & Chairman of the Company	2	1
3.	Mr. Pratik Agarwal	Member/ Managing Director	2	-

Notes:

i. Mr. Arun Todarwal ceased to be a Director and also a member of the CSR Committee w.e.f. July 24, 2021.

ii. Ms. Haixia Zhao ceased to be a Director and also a member of the CSR Committee w.e.f. March 31, 2022.

iii. Mr. Manish Agrawal became the Member of CSR Committee w.e.f. April 21, 2022.

iv. Mr. Pratik Agarwal ceased to be a Member of CSR Committee w.e.f. April 21, 2022.

3. The composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company and can be accessed at the web link as under: https://www.sterlitepower.com/investors

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2021-22*	3,32,09,950	
	Total	**3,32,09,950**	-

**CSR amount spent in excess of the requirement under the provisions of the Companies Act, 2013 for the financial year 2021-22*

6. Average net profit of the Company as per Section 135(5): ₹ (252,10,73,218)/- (Negative ₹ 252 crores approx.)

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ (5,04,21,464.36)/- (Negative ₹ 5.04 crores approx.)

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

   (c) Amount required to be set off for the financial year, if any: N.A.

   (d) Total CSR obligation for the financial year 2021-22 (7a+7b-7c): ₹ (5,04,21,464.36)/- (Negative ₹ 5.04 crores approx.)

8. (a) CSR amount spent or unspent for the financial year:

CSR Amount Spent: ₹ 3,32,09,950/- *(Indian Rupees Three Crores Thirty Two Lakhs Nine Thousand Nine Hundred and Fifty only)***

**The amount has been spent as voluntary contribution towards CSR programs*

(b) Details of CSR amount spent against ongoing projects for the financial year:

Total amount spent for the Financial Year (in ₹)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
	NA	NA	NA	NA	NA

(c) Details of CSR amount spent against ongoing projects for the financial year:

S.No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/ No)	Location of the Project		Project Duration	Amount allocated for the Project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation through implementing agency	
				State	District						Name	CSR Registration
1	To Sterlite EdIndia Foundation	(ii)	Yes	Rajasthan, Chhattisgarh, Tripura, Uttarakhand, Maharashtra, Arunachal Pradesh	Multiple districts		2,88,20,000*			Yes	NA	NA
	Total						2,88,20,000					

**Includes an amount of ₹ 30,40,055 remain unspent in the previous financial year.*

(d) Details of CSR amount spent against other than ongoing projects for the financial year:

S.No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation (direct) (Yes/ No)	Mode of Implementation- through implementing agency	
				State	District			Name	CSR Registration No.
1	Promoting health care by Supplying 100 Oxygen Cylinders to Vinoba Bhave Hospital	(i)	Yes	Dadra and Nagar Haveli	Dadra and Nagar Haveli	17,50,000	Yes	NA	NA
2	Rural development activities like drainage, roads & lighting repairing work related support	(x)	Yes	Maharashtra	Dhule	6,00,000	No	Songir Gram Panchayat	NA
3	Promoting school education by distributing school Supplies	(ii)	Yes	Goa	Multiple districts	16,85,950	Yes	NA	NA
4	Promoting healthcare during COVID-19	MCA General Circular No. 10/2020 dated March 23, 2020	Yes	Dadra and Nagar Haveli	Dadra and Nagar Haveli	3,54,000	Yes	NA	NA
	Total					43,89,950			

(d) Amount spent in administrative overheads: Total contribution given to EdIndia i.e. ₹ 2,88,20,000 included ₹ 10,75,351/- for administrative overheads

(e) Amount spent on Impact Assessment, if applicable: **NOT APPLICABLE**

(f) Total amount spent for the Financial Year 2021-22 (8b+8c+8d+8e) – ₹ **3,32,09,950/-**

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil*
(ii)	Total amount spent for the Financial Year	3,32,09,950
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,32,09,950
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3,32,09,950

**2% of average net profit of the company as per section 135(5) is ₹ (5,04,21,464.36)/- (Negative ₹ 5.04 crores approx.)*

9. Details of Unspent CSR amount for the preceding three financial years: **NOT APPLICABLE**

S. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project Completed /Ongoing.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). **NOT APPLICABLE**

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – **NOT APPLICABLE**

Sd/-
Pravin Agarwal
Chairman- CSR Committee

Date: August 23, 2022
Place: Aurangabad

Sd/-
Pratik Agarwal
Managing Director

Date: August 23, 2022
Place : Mumbai

Independent Auditor's Report

To
The Members of
Sterlite Power Transmission Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of Sterlite Power Transmission Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

BASIS FOR OPINION

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

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

The Annual report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

RESPONSIBILITY OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

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

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

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 8 and Note 17 to the standalone financial statements;

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

iv (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 51A to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 22105754AJSYUR5476
Place of Signature: Mumbai
Date: May 27, 2022

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Sterlite Power Transmission Limited (the "Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

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

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022 since the Company follows cost model for measurement after recognition of Property, Plant and Equipment and intangible assets.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. Discrepancies of 10% or more in aggregate for each class of inventory, were not noted on physical verification of inventories.

(ii) (b) The Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks for the financial year ended March 31, 2022 are in agreement with the books of accounts of the Company, the details of which are disclosed in Note 51B to the financial statements.

(iii) (a) During the year the Company has provided loans to parties as follows:

(₹ in million)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	-	-	1,182.28	-
- Joint Ventures	-	-	3,114.03	-
- Associates	-	-	-	-
- Other companies	-	-	35.00	-
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	-	-	5,995.00	-
- Joint Ventures	-	-	6,016.53	-
- Associates	-	-	-	-
- Other companies	-	-	35.52	-

(iii) (b) During the year the investments made and conditions of the grant of all loans and advances in the nature of loans to companies are not prejudicial to the Company's interest. During the year, the Company has not provided guarantees and given security to companies.

Further, during the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to firms, Limited Liability Partnerships or any other parties.

(iii) (c) The Company has granted loan(s) and / or advance in the nature of loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

During the year, the Company has not granted loan(s) and / or advance in the nature of loans to firms, Limited Liability Partnerships or any other parties.

(iii) (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(iii) (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which have fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(iii) (f) As disclosed in note 6 to the financial statements, during the year, the Company has granted loans which are repayable on demand to companies which are related parties ('wholly owned subsidiaries') as defined in clause (76) of section 2 of the Companies Act, 2013. None of these loans are granted to promoters.

	Wholly owned subsidiaries (₹ million)
Aggregate amount of loans/ advances in nature of loans	
- Repayable on demand	538.07
Percentage of loans/ advances in nature of loans to the total loans	44.20%

During the year, the Company has not granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to firms, Limited Liability Partnerships or any other parties.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of power conductors, power cables and engineering procurement and construction services and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of Statute	Nature of Dues	Amount ₹ Million	Period to which the amount relates	Forum at which dispute is pending
Central Excise Act 1944	Excise Duty	73.56	FY 01-02	Bombay High Court
Madhya Pradesh VAT Act, 2002	Value Added Tax	19.08	FY 15-16	Additional Commissioner Appeal, Bhopal
West Bengal VAT Act, 2003	Value Added Tax	6.10	FY 14-15 & 15-16	Jt. Commissioner Appeal, Medinipur, West Bengal
Orissa Value Added Tax Act, 2004	Value Added Tax	46.89	FY 14-15,15-16, 16-17 & 17-18	The Additional Commissioner of Sales Tax (Appeal), North Zone, Sambalpur
Delhi VAT Act, 2004	Value Added Tax	27.64	FY 14-15	Assistant Commissioner, Delhi VAT
Dadra & Nagar Haveli Value Added Tax Act,2005	Value Added Tax	30.18	FY 16-17	Deputy Commissioner (VAT), Dadra & Nagar Haveli, Silvassa

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) Term loans were applied for the purpose for which the loans were obtained.

(ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments), hence the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(xvi) (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

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

(xix) On the basis of the financial ratios disclosed in note 50 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 29 to the financial statements.

(xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 29 to the financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 22105754AJSYUR5476
Place of Signature: Mumbai
Date: May 27, 2022

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Ind AS Financials Statements of Sterlite Power Transmission Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Sterlite Power Transmission Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 22105754AJSYUR5476
Place of Signature: Mumbai
Date: May 27, 2022

Balance Sheet

As at March 31, 2022

(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Note	31 March 2022	31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,680.04	2,264.90
Capital work in progress	3B	20.01	5.96
Other intangible assets	4	96.29	152.19
Investments in associates	5A	0.05	39.07
Financial assets			
i. Investments	5B	11,445.10	17,558.90
ii. Loans	6	1,165.66	1,515.32
iii. Trade receivables	7	-	-
iv. Other financial assets	8	915.03	1,095.55
Income tax asset (net)		768.89	927.50
Other non-current assets	9	435.14	761.41
Total non-current assets		**17,526.20**	**24,320.80**
Current assets			
Inventories	11	2,204.57	3,491.11
Financial assets			
i. Investments	5B	-	9.07
ii. Loans	6	4,586.26	343.02
iii. Trade receivables	7	13,491.50	9,755.41
iv. Cash and cash equivalents	12	1,859.54	1,868.45
v. Other bank balances	13	465.64	1,739.70
vi. Other financial assets	8	2,035.87	1,502.33
Other current assets	9	3,875.82	5,136.35
Total current assets		28,519.21	23,845.44
Assets classified as held for sale	10	101.35	1,352.66
		28,620.56	**25,198.10**
TOTAL ASSETS		**46,146.76**	**49,518.90**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	122.36	122.36
Other equity			
i. Securities premium	15	4,536.80	4,536.80
ii. Retained earnings	15	14,932.38	1,820.28
iii. Others	15	38.55	7,323.26
Total equity		**19,630.09**	**13,802.69**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	16A	187.61	375.00
ii. Lease liabilities	36	444.27	6.54
iii. Other financial liabilities	17	149.21	619.97
Employee benefit obligations	18	74.04	76.67
Other non current liabilities	21	2,249.29	4,086.68
Deferred tax liabilities (net)	19	300.25	1,789.06
Total non-current liabilities		**3,404.67**	**6,953.92**
Current liabilities			
Financial liabilities			
i. Borrowings	16B	2,325.64	6,872.31
ii. Lease liabilities	36	86.33	21.85
iii. Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		490.95	522.16
- total outstanding dues of creditors other than micro enterprises and small enterprises		12,506.61	13,099.43
iv. Other financial liabilities	17	861.46	910.28
Employee benefit obligations	18	106.26	98.18
Other current liabilities	21	6,384.29	7,094.77
Current tax liability (net)		350.44	143.32
Total current liabilities		**23,112.00**	**28,762.29**
TOTAL LIABILITIES		**46,146.76**	**49,518.90**
Summary of significant accounting policies	2.2		

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 27 May 2022

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: 27 May 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 27 May 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: 27 May 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: 27 May 2022

Statement of Profit and Loss

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Note	31 March 2022	31 March 2021
INCOME			
Revenue from operations	22	37,973.84	29,338.52
Other income	24	371.85	2,977.31
Total income (I)		**38,345.69**	**32,315.83**
EXPENSES			
Cost of raw material and components consumed	25	12,003.35	8,075.52
Purchase of traded goods		579.31	591.19
Construction material and contract expenses	26	16,262.68	11,105.50
Decrease in inventories of finished goods, work-in-progress and traded goods	27	176.85	1,280.05
Employee benefits expense	28	2,046.60	2,397.50
Other expenses	29	3,621.75	3,925.80
Reversal of impairment of investment/loan	10a	-	(954.98)
Total expenses (II)		**34,690.54**	**26,420.58**
Earning before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		3,655.15	5,895.25
Depreciation and amortisation expense	30	390.65	425.48
Finance costs	31	1,119.56	3,326.81
Finance income	23	(849.28)	(440.57)
Profit before tax before exceptional items and tax		**2,994.22**	**2,583.53**
Exceptional items	31A	(117.00)	-
Profit before tax		**2,877.22**	**2,583.53**
Tax expense:			
(i) Current tax	19	541.91	134.08
(ii) Income tax for earlier years (refer note 49, 31 March 2021: refer note 19)	19	(145.07)	(1,342.49)
(iii) Deferred tax	19	14.59	162.70
Income tax expense		**411.43**	**(1,045.71)**
Profit for the year		**2,465.78**	**3,629.24**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges		2,816.89	2,416.44
Income tax effect		(307.38)	(237.63)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**2,509.50**	**2,178.81**
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans		(10.39)	(4.55)
Income tax effect		2.61	1.14
Net gain/(loss) on FVTOCI equity securities		1,621.69	(6,420.01)
Income tax effect		(710.02)	1,470.43
Net other comprehensive gain/(loss) not to be reclassified to profit or loss in subsequent periods		903.89	(4,952.98)
Other comprehensive income/(loss) for the year		**3,413.39**	**(2,774.18)**
Total comprehensive income for the year		**5,879.18**	**855.06**
Earnings per equity share [nominal value of ₹ 2 (31 March 2021: ₹ 2)]	32		
Basic and diluted			
Computed on the basis of income for the year (net of tax) (₹)		42.21	59.32
Summary of significant accounting policies	2.2		

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 27 May 2022

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: 27 May 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 27 May 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: 27 May 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: 27 May 2022

Cash Flow Statement

for the year ended March 31, 2022

(All amounts in ₹ million unless otherwise stated)

(₹ in million)

		March 31, 2022	March 31, 2021
A.	OPERATING ACTIVITIES		
	Net profit as per statement of profit and loss	2,465.78	3,629.24
	Adjustment for taxation	411.43	(1,045.71)
	Profit before tax	**2,877.22**	**2,583.53**
	Non-cash adjustment to reconcile profit/(loss) before tax to net cash flows		
	Depreciation and amortisation expense	390.65	425.48
	Loss/ (Profit) on sale of property, plant and equipment, (net)	4.48	(1.86)
	Impairment allowance for trade receivables and advances	103.59	97.64
	Reversal of impairment of investment/loan	(150.53)	(954.98)
	Impairment or provision on investment and loans and advances	59.98	107.34
	Consideration received from India Grid Trust on sale of Sterlite Grid 3 Limited	-	(173.59)
	Net gains on sale of investment in IIML(associate) and units of India Grid Trust	(297.50)	(213.92)
	Finance costs	1,119.56	3,326.81
	Finance income	(849.28)	(440.57)
	Income on investment in India Grid Trust	(11.47)	(537.73)
	Dividend income on equity instruments measured at fair value through other comprehensive income	-	(1,226.51)
	Unrealised exchange difference, net	-	112.28
		369.49	**520.39**
	Operating profit/(loss) before working capital changes	**3,246.71**	**3,103.92**
	Movements in working capital:		
	Decrease in trade payables	(596.57)	(437.91)
	Increase in employee benefit obligation	5.46	19.92
	Increase/(decrease) in other liability	(2,427.30)	2,562.49
	Increase in other financial liability	829.71	1,685.94
	Increase in trade receivables	(3,839.68)	(1,266.14)
	Decrease in inventories	1,286.53	431.31
	(Increase)/decrease in other financial assets	571.39	(853.04)
	(Increase)/decrease in other assets	1,631.20	(65.43)
	Change in working capital	**(2,539.26)**	**2,077.14**
	Cash generated from/(used in) operations	**707.43**	**5,181.05**
	Direct taxes paid (net of refunds)	(385.86)	(208.17)
	Net cash flow from/(used in) operating activities (A)	**321.57**	**4,972.88**
B.	INVESTING ACTIVITIES		
	Purchase of property, plant and equipment, including capital work in progress and capital advances	(161.64)	(58.54)
	Proceeds from sale of property, plant and equipment	51.71	4.84
	Investment in equity share capital, compulsorily convertible debentures and non convertible debenture	(4,683.84)	(0.30)
	Proceed from sale of non convertible debenture	1,914.23	1,074.45
	Proceeds from sale of investment in IIML and units of India Grid Trust	643.68	8,299.09
	Investment in Maharashtra Transmission Communication Infrastructure Limited (refer note 5B(f))	(200.00)	-
	Investment in bank deposits	2,734.65	(915.41)
	Loans given to related parties	(1,217.28)	(5,909.44)
	Loans repaid by related parties	1,776.48	15,047.16
	Payment for indemnification expenses as per share purchase agreement	(231.05)	(42.95)
	Sale/(purchase) of mutual funds (net)	9.07	290.33
	Income on investment in India Grid Trust	11.47	537.73
	Dividend income on equity instruments measured at fair value through other comprehensive income	-	1,226.51
	Finance income received	210.20	177.36
	Net proceeds on sale of investment in Sterlite Grid 2 Limited ('SGL 2')	152.57	182.09
	Net proceeds on sale of investment in Sterlite Grid 3 Limited ('SGL 3')	56.19	210.30
	Net proceeds on sale of Investment in East-North Interconnection Company Limited ('ENICL')	71.17	1,252.49
	Net cash flow from investing activities (B)	**1,137.61**	**21,375.71**
C.	FINANCING ACTIVITIES		
	Proceeds of long term borrowings	750.21	795.00
	Repayment of long term borrowings	(977.61)	(15,014.44)
	Repayment of lease liability	(67.82)	(93.63)
	Proceeds from short term borrowings	6,082.85	-
	Repayment of short term borrowings from banks	(6,010.64)	(698.37)
	Repayment of borrowings from Sterlite Interlink Limited	-	(6,200.00)
	Interest paid	(1,008.48)	(4,031.95)
	Dividend paid	(317.97)	-
	Net cash flow used in financing activities (C)	**(1,549.44)**	**(25,243.39)**
	Net (decrease)/increase in cash and cash equivalents (A + B + C)	**(90.24)**	**1,105.20**
	Cash and cash equivalents as at beginning of the year	**1,868.45**	**763.25**
	Cash and cash equivalents on merger (refer note 49)	81.33	
	Cash and cash equivalents as at year end	**1,859.54**	**1,868.45**

Cash Flow Statement

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

	March 31, 2022	March 31, 2021
Balances with banks:		
On current accounts	759.51	1,868.42
Deposit with original maturity of less than 3 months	1,100.00	-
Cash in hand	0.03	0.03
Total cash and cash equivalents (refer Note 12)	**1,859.54**	**1,868.45**

Reconciliation between opening and closing balances for liabilities arising from financing activities

Particulars	Long term borrowings	Short term borrowings
31 March 2020	15,931.82	13,477.00
Cash flow		
- Interest	(2,087.07)	(1,944.88)
- Proceeds/(repayments)	(14,313.08)	(6,898.37)
Non-cash changes		
- Classified as current maturities	(415.18)	
- Classified as short term borrowings current maturities	-	415.18
- Lease Liabilities shown separately	(28.39)	-
- Notional interest and other charges	14.65	-
- Unrealised foreign exchange gain/(loss)	-	26.41
Accrual for the period	1,272.25	2,054.56
31 March 2021	**375.00**	**7,129.90**
Cash flow		
- Interest	(47.63)	(960.84)
- Addition in short term borrowings on account of merger of Sterlite Grid 4 Limited (refer note 49)	-	2,182.32
- Proceeds/(repayments)	(227.57)	72.21
Non-cash changes		
- Classified as current maturities	40.00	(40.00)
- Intercompany Borrowings eliminated on account of merger of Sterlite Grid 4 Limited (refer note 49)	-	(6,761.18)
Accrual for the period	47.81	1,055.07
31 March 2022	**187.61**	**2,677.47**

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 27 May 2022

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: 27 May 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 27 May 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: 27 May 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: 27 May 2022

Statement of Changes in Equity

for the year ended March 31, 2022

(All amounts in ₹ million unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	Nos. in million	₹ in million
As at 01 April 2020	**61.18**	**122.36**
Movement during the year	-	-
Changes in Equity Share Capital due to prior period errors	-	-
As at 31 March 2021	**61.18**	**122.36**
Movement during the year	-	-
Changes in Equity Share Capital due to prior period errors	-	-
As at 31 March 2022	**61.18**	**122.36**

B. OTHER EQUITY

	Securities premium	Retained earnings	FVTOCI reserve	Cash Flow Hedge Reserve	Debenture Redemption Reserve	Capital Redemption Reserve	Total Equity
As at 01 April 2020	**4,536.80**	**(3,411.53)**	**11,565.19**	**(1,619.00)**		**1,543.67**	**12,615.13**
Profit for the year	-	3,629.24	-	-		-	3,629.24
Other comprehensive income/(loss)	-	(3.40)	(4,949.58)	2,249.59	-	-	(2,703.40)
Total comprehensive loss	**-**	**3,625.84**	**(4,949.58)**	**2,249.59**		**-**	**925.84**
Transfer to capital redemption reserve (refer note 15.4)	-	(36.00)	-	-	-	36.00	-
Balance transferred from capital redemption reserve (refer note 15.4)	-	1,543.65	-	-	-	(1,543.65)	-
Realised gain on sale of investment transferred from FVTOCI reserve to retained earnings	-	98.32	(98.32)	-	-	-	-
Amount reclassified to statement of profit and loss	-	-	-	(139.35)	-	-	(139.35)
As at 31 March 2021	**4,536.80**	**1,820.28**	**6,517.29**	**769.94**	**-**	**36.02**	**13,680.33**
Profit for the year	-	2,465.78	-	-	-	-	2,465.78
Other comprehensive income	-	(7.77)	911.67	2,509.50	-	-	3,413.39
Total comprehensive loss	**-**	**2,458.02**	**911.67**	**2,509.50**	**-**	**-**	**5,879.18**
Realised gain on sale of investment transferred from FVTOCI reserve to retained earnings	-	336.65	(336.65)	-	-	-	-
Dividend appropriation	-	(324.26)	-	-	-	-	(324.26)
Adjustment on merger of Sterlite Grid 4 Limited	-	10,441.71	(8,692.88)	-	200.00	-	-
Transfer from debenture redemption reserve (refer note 15.5)	-	200.00	-	-	(200.00)	-	-
Amount reclassified to statement of profit and loss	-	-	-	(1,676.34)	-	-	(1,676.34)
As at 31 March 2022	**4,536.80**	**14,932.38**	**(1,600.57)**	**1,603.10**	**-**	**36.02**	**19,507.73**

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 27 May 2022

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: 27 May 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 27 May 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: 27 May 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: 27 May 2022

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

1. CORPORATE INFORMATION

Sterlite Power Transmission Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at 4th Floor, Godrej Millennium, Koregaon Park, Pune, Maharashtra, India.

The Company is primarily engaged in the business of Power products and solutions. Power products and solutions mainly include manufacturing of power transmission conductors, optical ground wire cables and power cable. It also includes execution of Engineering, Procurement and Construction Contracts for replacement of power transmission conductors, optical ground wire cables and power cable as a part of master system integration business.

The Company, directly or indirectly, through its subsidiaries, acts as a developer on Build Own Operate & Maintain ("BOOM") basis, for designing, financing, construction and maintenance of power transmission systems for concessional periods ranging from 25 to 35 years. The Company also undertakes the Engineering, Procurement and Construction Contracts for construction of power transmission systems.

The standalone financial Statements were authorised for issue in accordance with resolution passed by the Board of Directors of the 27 May 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments;
- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

The standalone financial statements are presented in Indian Rupees millions, except when otherwise indicated.

2.2 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Company in preparing its standalone financial statements:

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 current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

b) Foreign currencies

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

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) **Fair value measurement**
The Company measures financial instruments such as derivatives at fair value at each balance sheet date.

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:

- In the principal market for the asset or liability, or
- 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 standalone Ind AS 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.

External valuers are involved for valuation of significant assets such as investment in subsidiaries. Involvement of external valuers is decided by the management on a need basis and with relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The management decides after discussion with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movement of assets and liabilities which are required to be premeasured or reassessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

The management in conjunction with external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. The valuation results are discussed at the Audit Committee.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 33,41, 42)
- Quantitative disclosures of fair value measurement hierarchy (note 42)
- Investment in Non-Convertible Debentures (note 41 and 42)
- Investment in Compulsorily Convertible Debentures (note 41 and 42)
- Investment in mutual funds (note 41 and 42)
- Financial instruments (note 41 and 42)

d) Revenue from contracts with customers

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. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Amounts disclosed as revenue are net of goods and service tax (GST).

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 33

Sale of power products and traded goods

Revenue from sale of power products and traded goods are recognised at a point of time upon delivery of conductor, power cable or traded aluminium ingots and rods and payment is generally due within 60 to 365 days from delivery. Some contracts provide the Company right to receive price variation from customers on account of changes in metal prices

Rendering of services

Revenues from services are recognised when the services are rendered. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Revenue from Engineering, Procurement and Construction (EPC) projects

Revenue from fixed price construction contracts for power transmission lines and supply & installation of power transmission products is recognised as the performance obligation is satisfied progressively over the contract period. The Company's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the achievement of contractual milestones.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that the contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the statement of profit and loss.

Where the profit from a contract cannot be estimated reliably, revenue is only recognised equalling the expenses incurred to the extent that it is probable that the expenses will be recovered.

Revenue from services rendered to joint ventures

Services rendered to joint ventures represent the performance obligation for providing various consultation and agency services in relation to joint venture entities which are satisfied at a point of time.

Contract modifications:

Contract modifications are defined as changes in the scope of the work, other than changes envisaged in the original contract, that may result in a change in the revenue associated with that contract. Modifications to approval before billings can be

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

issued and the amounts relating to the additional work can be collected. The Company does not recognise the revenue from such additional work until the customer's approval has been obtained. In cases where the additional work has been approved but the corresponding change in price has not been determined, the requirement described below for variable consideration is applied: namely, to recognise revenue for an amount with respect to which it is highly probable that a significant reversal will not occur. The costs associated with these additional units or services performed are recognised when incurred, irrespective of whether or not the modification has been approved.

Variable considerations:
If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Contract Balance

Contract Assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or 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.

Trade Receivable
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 section (q) Financial instruments – initial recognition and subsequent measurement.

Contract Liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is 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.

e) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

f) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside of profit or loss is recognised outside of 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.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside of profit or loss is recognised outside of profit or loss. 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 Company and the same taxation authority.

Goods and service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

g) Non-Current Assets held for sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned.

The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised. Refer Note 10 for further disclosures.

- A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:
- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

h) Property, plant and equipment

Certain items of freehold land have been measured at fair value at the date of transition to Ind AS. The Company regards the fair value as deemed cost at the transition date, viz., April 01, 2015.

Capital work in progress, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property, 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 recognised 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 recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or to be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Category	Useful Life considered	Useful life (Schedule II#)
Buildings (Factory/Office)	30/60 Years	30/60 Years
Plant and Machinery	2 - 20 Years *	Continuous process plant- 25 Years Others- 15 Years
Furniture and fixtures	3 - 10 Years *	10 Years
Data processing equipment	3 - 6 Years *	Service and networks- 6 Years and desktops and laptop etc - 3 Years
Office equipment	2 - 5 Years *	5 Years
Electric fittings	4 - 20 Years *	10 Years
Vehicles	3 - 5 Years *	8 Years
Leasehold improvements	Lease period	Lease period

* Considered on the basis of management's estimation, supported by technical advice, of the useful lives of the respective assets.

Residual value considered as 5% on the basis of management's estimation, supported by technical advice.

The Company, based on technical assessments made by technical experts and management estimates, depreciates the certain items of building, plant and machinery, data processing equipment, furniture and fixtures, office equipment, electric fittings, vehicles and other telecom networks equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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 or loss when the asset is derecognised.

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.

i) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the Statement of Profit and Loss in the period in which the expenditure is incurred.

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

Intangible assets with finite lives are amortised over their useful economic lives 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. 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 or loss.

The Company does not have any intangible assets with indefinite useful lives.

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 or loss when the asset is derecognised.

Software are amortised on a straight-line basis over a period of five to six years.

j) 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. All other borrowing

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costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as 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, as follows:

- Land – 99 years
- Office building – 1 to 5 years
- Vehicles – 3 to 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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

The Company's lease liabilities are included in other financial liability (see Note 17).

iii) *Short-term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to its short-term leases (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). Lease payments on short-term leases and

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leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l) 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, components, construction material, stores and spares, packing materials and others: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis except for aluminium wherein the cost is determined on specific identification method based on the costing details of each project.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis except for aluminium conductors wherein the cost is determined on specific identification method based on the costing details of each project.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

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.

m) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow 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 or countries in which the entity operates, or for the market in which the asset is used.

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Impairment losses of continuing operations, including impairment on inventories, impairment of Compulsorily Convertible Debentures and Non-Convertible Debentures are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

n) Provisions

General

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 or 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.

o) Retirement and other employee benefits

Retirement benefit in the form of provident fund and superannuation fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund and superannuation fund. The Company recognizes contribution payable to the provident fund and superannuation fund as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet 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 has a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses 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. Remeasurements are not reclassified to profit or loss in subsequent periods.

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:

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

p) Financial instruments

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

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Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost

ii. Debt instruments at fair value through other comprehensive income (FVTOCI)

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 7.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the

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Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are

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recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 16A and Note 16B

Buyers' Credit/ Suppliers' Credit
The Company enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up within 12 months to 36 months. Where these arrangements are with a maturity of up to twelve months the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit (under Trade payables). Interest expense on these are recognised in the finance cost.

Derecognition
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 derecognition 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.

Embedded derivatives
An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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The following table shows various reclassification and how they are accounted for:

Original classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.

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

q) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement
The Company uses derivative financial instruments, such as forward currency contracts and commodity future contracts to hedge its foreign currency risks and commodity price risks, respectively. 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.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

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.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the

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hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

r) **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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

s) **Cash dividend distribution to equity holders of the Company**

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. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t) **Presentation of EBITDA**

The Company presents Earnings before interest, tax, depreciation and amortisation ('EBITDA') in the statement of profit or loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule III allows companies to present line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance.

Accordingly, the Company has elected to present EBITDA as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance income, finance costs and tax expense.

2.3 New and Amended standards

Several amendments apply for the first time in March 2022, but do not have an impact on the standalone financial statements of the Company.

- Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116
- Ind AS 116: COVID-19 related rent concessions
- Ind AS 103: Business combination
- Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

₹ in million

DESCRIPTION	Owned assets										Right-of-use assets				Total (A+B)
	Freehold land$	Leasehold improvements	Buildings$	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Electrical installations	Data processing equipment	Sub-total (A)	Land	Office building	Vehicles	Sub-total (B)	
COST															
As at 01 April 2020	485.89	60.64	1,029.56	3,111.01	49.04	27.30	44.89	252.47	130.81	5,191.60	3.17	193.85	10.10	207.12	5,398.72
Additions	-	-	-	18.86	1.12	-	4.30	0.41	3.98	28.67	-	-	2.29	2.29	30.96
Disposals	-	-	-	70.83	3.22	0.69	3.12	1.58	0.01	79.45	-	4.87	1.72	6.59	86.05
Adjustment	-	-	-	-	-	-	-	-	-	-	-	4.27	-	4.27	4.27
As at 31 March 2021	**485.89**	**60.64**	**1,029.56**	**3,059.04**	**46.94**	**26.61**	**46.07**	**251.30**	**134.78**	**5,140.82**	**3.17**	**184.71**	**10.67**	**198.55**	**5,339.37**
Additions	-	-	2.68	147.18	0.21	-	7.11	12.86	27.02	197.06	-	599.83	-	599.83	796.90
Disposals	-	36.52	30.95	76.37	10.61	6.73	6.92	-	10.78	178.88	-	-	3.91	3.91	182.79
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2022	**485.89**	**24.12**	**1,001.29**	**3,129.85**	**36.54**	**19.88**	**46.26**	**264.16**	**151.02**	**5,159.00**	**3.17**	**784.54**	**6.76**	**794.47**	**5,953.48**
Depreciation and impairment															
As at 01 April 2020	-	51.29	347.78	2,002.20	37.70	10.63	33.04	122.99	87.43	2,693.07	0.25	91.42	0.82	92.50	2,785.57
Depreciation charged during the year	-	5.11	34.67	195.09	4.14	5.55	6.64	15.03	17.37	283.60	0.03	73.79	2.31	76.13	359.72
Disposals	-	-	-	63.64	2.23	0.68	2.66	1.29	0.02	70.52	-	-	0.31	0.31	70.83
As at 31 March 2021	**-**	**56.40**	**382.45**	**2,133.65**	**39.61**	**15.50**	**37.02**	**136.73**	**104.78**	**2,906.15**	**0.28**	**165.21**	**2.82**	**168.32**	**3,074.47**
Depreciation charged during the year	-	3.52	33.94	160.28	2.59	4.66	5.08	15.20	19.65	244.91	0.04	76.40	2.49	78.91	323.82
Disposals	-	35.86	34.53	21.54	9.96	4.68	6.10	-	10.02	122.69	-	-	2.17	2.17	124.86
As at 31 March 2022	**-**	**24.06**	**381.86**	**2,272.39**	**32.24**	**15.48**	**36.00**	**151.93**	**114.41**	**3,028.37**	**0.32**	**241.61**	**3.14**	**245.06**	**3,273.43**
Net block as at 31 March 2021	**485.89**	**4.24**	**647.11**	**925.39**	**7.33**	**11.11**	**9.05**	**114.57**	**30.00**	**2,234.67**	**2.89**	**19.50**	**7.85**	**30.23**	**2,264.90**
Net block as at 31 March 2022	**485.89**	**0.06**	**619.43**	**857.46**	**4.30**	**4.40**	**10.26**	**112.23**	**36.61**	**2,130.63**	**2.85**	**542.93**	**3.62**	**549.41**	**2,680.04**

$Title deeds in respect of all the immovable properties are in the name of the Company

NOTE 3B: CAPITAL WORK IN PROGRESS

	(₹ in million)
As at 31 March 2022	20.01
As at 31 March 2021	5.96

**Capital work in progress mainly includes expenditure incurred for plant & machinery*

Following is the ageing of capital work in progress

	Amount in capital work in progress for									
	As at 31 March 2022					As at 31 March 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	19.10	0.22	0.68	-	20.01	4.02	1.94	-	-	5.96
Total	**19.10**	**0.22**	**0.68**	**-**	**20.01**	**4.02**	**1.94**	**-**	**-**	**5.96**

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 4: INTANGIBLE ASSETS

(₹ in million)

Description	Software/ Licenses
As at 01 April 2020	310.90
Additions	0.94
Disposals	-
As at 31 March 2021	**311.84**
Additions	10.93
As at 31 March 2022	**322.77**
Amortisation	
As at 01 April 2020	93.90
Accumulated amortisation	
Amortisation charge for the year	65.75
As at 31 March 2021	**159.65**
Amortisation charge for the year	66.83
As at 31 March 2022	**226.48**
Net block as at 31 March 2021	152.19
Net block as at 31 March 2022	**96.29**

NOTE 5A: INVESTMENTS IN ASSOCIATES

(₹ in million)

	31 March 2022	31 March 2021
NON-CURRENT		
Investment in equity shares- unquoted (valued at cost)		
Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) Nil (31 March 2021: 16,24,515) equity shares of ₹ 2 each fully paid up [refer note 10(a)]	-	39.02
Sterlite Interlinks Limited 4,900 (31 March 2021: 4,900) equity shares of ₹ 10 each fully paid up	0.05	0.05
Total	**0.05**	**39.07**

NOTE 5B: INVESTMENTS

(₹ in million)

	31 March 2022	31 March 2021
NON-CURRENT		
Investments in units- quoted (valued at fair value through profit and loss account)		
India Grid Trust	-	286.15
Nil (31 March 2021: 20,40,457 units)		
Investments in equity shares- unquoted (valued at fair value through other comprehensive income)		
Investments in joint venture		
Sterlite Grid 13 Limited	502.93	43.27
3,10,000 (31 March 2021: 3,10,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 14 Limited (refer note d below)	105.29	-
60,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 18 Limited (refer note a & d below)	-	-
6,18,61,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 29 Limited (refer note c & d below)	760.63	-
3,90,69,483 (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up		

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
Investments in subsidiaries		
Sterlite Grid 4 Limited (refer note 49 below)	-	11,272.38
Nil (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 5 Limited (refer note c below)	0.50	640.23
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 6 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 7 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 8 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 9 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 10 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 11 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 12 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 14 Limited (refer note c below)	-	0.50
Nil (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 15 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 16 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 17 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 18 Limited (refer note a & d below)	-	-
Nil (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 19 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 20 Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 21 Limited	1.00	1.00
1,00,000 (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 22 Limited	1.00	1.00
1,00,000 (31 March 2020: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 23 Limited	1.00	1.00
1,00,000 (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 24 Limited	1.00	1.00
1,00,000 (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 25 Limited	1.00	1.00
1,00,000 (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 26 Limited	1.00	1.00
1,00,000 (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 27 Limited	1.00	1.00
1,00,000 (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 28 Limited	1.00	1.00
1,00,000 (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 29 Limited (refer note d below)	-	1.00
Nil (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 30 Limited (formerly known as NRSS XXIX Transmission (JS) Limited)	0.50	0.50

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for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Khargone Transmission Limited (refer note e below)	-	-
Nil million (31 March 2021: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Convergence Limited	0.50	0.50
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up		
Maharashtra Transmission Communication Infrastructure Limited (refer note f below)	411.15	-
2,24,51,766 (31 March 2021: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite EdIndia Foundation	0.50	0.50
49,977 (31 March 2021: 49,977) equity shares of ₹10 each fully paid up		
Sterlite Brazil Participacoes S.A.	3,340.96	2,547.34
27,78,97,092 (31 March 2021: 27,78,97,092) equity shares of R$ 1 each fully paid up		
One Grid Limited	0.10	0.10
10,000 (31 March 2021: 10,000) equity shares of ₹ 10 each fully paid up		
Investment in non-convertible debentures (unquoted) (valued at amortised cost)		
Sterlite Grid 13 Limited	1,651.30	1,007.88
15,15,74,650 (31 March 2021: 10,07,88,150) Non- convertible debentures of face value of ₹10 each*		
Sterlite Grid 14 Limited	559.98	285.53
5,14,25,101 (31 March 2021: 2,85,52,850) Non- convertible debentures of face value of ₹10 each*		
Sterlite Grid 18 Limited (refer note a below)	2,252.29	1,046.13
20,10,48,052 (31 March 2021: 10,46,12,610.50) Non- convertible debentures of face value of ₹10 each*		
Less: Impairment on investment in non convertible debentures	104.21	94.73
	2,148.09	**951.40**
Sterlite Grid 29 Limited	1,453.82	-
13,13,95,681 (31 March 2021: Nil) Non- convertible debentures of face value of ₹10 each*		
Investment in Compulsorily convertible debentures (unquoted) (fair value through statement of profit and loss)		
Sterlite Grid 18 Limited (refer note a below)	50.50	-
50,50,250 (31 March 2021: Nil) 0.01% Compulsorily convertible debentures of face value of ₹10 each		
Less: Impairment on investment in non convertible debentures	50.50	-
	-	-
Sterlite Grid 29 Limited	48.63	-
48,52,613 (31 March 2021: Nil) 0.01% Compulsorily convertible debentures of face value of ₹10 each		
Others		
Sharper Shape Group Inc	112.45	112.45
26,505 (31 March 2021: 26,505) equity shares of USD 0.01 each fully paid up		
Equity component of loan given to subsidiaries (refer note b below)	333.79	395.17

(a) The fair market value of the investment in Sterlite Grid 18 Limited ('SGL18') is below cost, hence the Company has recognised the impairment on compulsorily convertible debentures and non-convertible debentures.

(b) The Company has given interest free loans to wholly owned subsidiaries, amounting to ₹ 1,293.73 million repayable after 2-3 years. The loans being financial asset, have been discounted to present value amounting to ₹ 1,020.80 million at initial recognition. The balance of ₹ 272.90 million being the difference between present value and loan amount has been recognised as equity component.

(c) Pursuant to Share Purchase Agreement ("Agreement") dated 03 April 2021 executed among the Company's wholly owned subsidiary Sterlite Grid 5 Limited ('SGL5'), wholly owned subsidiary of SGL5 Goa- Tamnar Transmission Project Limited ("GTTPL") and wholly owned subsidiary of the Company Sterlite Grid 29 Limited ("SGL 29"), 100% equity shareholding of GTTPL held by the SGL 5 is transferred to SGL 29.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(d) The Company has entered into a Framework Agreement with AMP Capital Infrastructure Investment No.2 S.A R.L. (‘AMP Capital’) dated 28 December 2020 (‘the Agreement’) for investment in the subsidiaries of the Company which are engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a ‘build own operate and maintain’ basis in India. Pursuant to the agreement, AMP Capital has invested in 50% of the paid up equity share capital of Sterlite Grid 14 Limited (‘SGL14’), Sterlite Grid 18 Limited ('SGL 18') and Sterlite Grid 29 Limited ('SGL 29) on 06 April 2021. Accordingly, as per the terms of the agreement and rights available to the Company, investment in SGL14, SGL 18 and SGL 29 have been classified as investment in joint ventures.

(e) The Company entered into a Framework agreement with India Grid Trust for selling its entire stake in Khargone Transmission Limited, Gurgaon- Palwal Transmission Limited and NER-II Transmission Limited after these projects are commissioned, at values as agreed in the Framework agreement subject to certain adjustments and the requisite approvals. During the previous year, pursuant to the framework agreement, erstwhile Sterlite Grid 4 Limited, a wholly owned subsidiary of the Company, has sold 100% beneficial ownership in Gurgaon- Palwal Transmission Limited and 74% of beneficial ownership in NER-II Transmission Limited to India Grid Trust. During the current year, remaining 26% beneficial ownership in NER-II Transmission Limited has been transferred to India Grid Trust.

(f) Pursuant to Share purchase agreement ('SPA') dated 29 March 2022 executed between the Company, Sterlite Technologies Limited ('STL'), Maharashtra State Electricity Transmission Company Limited ('MSETCL') and Maharashtra Transmission Communication Infrastructure Limited ('MTCIL'), the Company has purchased 64.98% equity stake in MTCIL from STL for agreed consideration of ₹ 430.00 million. SPTL has paid advance consideration of ₹ 200.00 million and balance consideration of ₹ 230.00 million is payable in 2 tranches. First Tranche of ₹ 100.00 million is payable within a period 6 months from date of SPA and second tranche of ₹ 130.00 million is payable after 18 months from the date of SPA. Accordingly consideration payable after 18 months has been accounted at effective interest rate method ('EIR') at amortised cost. As a result, MTCIL became the subsidiary of the Company w.e.f. 31 March 2022.

(₹ in million)

	31 March 2022	31 March 2021
CURRENT		
Investment in mutual funds - quoted (valued at fair value through profit or loss)		
Nil (31 March 2021: 8,119.47 units) of Axis Liquid Fund direct plan - daily dividend reinvestment ##	-	9.07
Total	**11,445.10**	**17,567.97**
Current (equity)	**-**	**9.07**
Non-current (units)	**-**	**286.15**
Non-current (equity)	**5,583.29**	**15,027.95**
Non-current (non-convertible debentures)	**5,813.19**	**2,244.81**
Non-current (compulsorily convertible debentures)	**48.63**	**-**
Aggregate value of quoted investments (equity)	**-**	**9.07**
Aggregate value of quoted investments (units)	**-**	**286.15**
Aggregate value of unquoted investments (equity)	**5,583.29**	**15,027.95**
Aggregate value of unquoted investments (non-convertible debentures)	**5,813.19**	**2,244.81**
Aggregate value of unquoted investments (compulsorily convertible debentures)	**48.63**	**-**

** The Company has subscribed to the non convertible debentures issued by the joint ventures which are redeemable @ 12.30%.*

Includes Nil units (31 March 2021: 8,119.47) units which are lien marked

Investments at fair value through other comprehensive income and fair value through statement of profit and loss reflect investment in quoted units and quoted/unquoted equity securities. Refer note 42 for determination of their fair values.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 6: LOANS (UNSECURED, CONSIDERED GOOD)

(₹ in million)

	31 March 2022	31 March 2021
Loans to related parties (refer note 45)*^	35.52	302.56
Loans to subsidiaries (refer note 45)# (refer note 5B(b))	5,716.40	1,555.78
Total	**5,751.92**	**1,858.34**
Current	4,586.26	343.02
Non-Current#	1,165.66	1,515.32

** During the current year, the Company has given unsecured loan to Sterlite Power Technologies Private Limited (""SPTPL"") amounting to ₹ 35.52 million (March 31, 2021: Nil)(including accumulated interest accrued) carrying interest at the rate of 11% p.a. and is repayable within 1 year. In previous year, there was a loan receivable of ₹ 207.35 million (including accumulated interest) which was repayable on demand, and has been paid by SPTPL during the current year.*

^Loan also included loan given to Sterlite Technologies Limited (""STL"") amounting to ₹ Nil million (March 31, 2021: ₹ 95.21 million) carrying an interest rate of ₹ 10% p.a. and is repayable on demand. The loan has been repaid by STL during the current year.

 # Indian rupee loans to subsidiaries are repayable on demand and carry Nil rate of interest excluding loans specified in note 5B(b).

Compliance to the provisions of Section 186 of the Companies Act, 2013

The Company has given interest free loans amounting to its ₹ 538.07 million to wholly owned subsidiaries repayable on demand and the outstanding balance is of ₹ 5,716.40 million as at year end. Based on the legal opinion obtained by the management, the Company is engaged in construction of power transmission lines and manufacturing of power products and solutions hence it is considered as infrastructure company as per Schedule VI of the Companies Act, 2013 for the purpose of compliance with the section 186 of the Companies Act 2013. Accordingly, the provisions of section 186 (2) to section 186 (11) are not applicable to the Company.

Details of loan given by the company (unsecured)

	March 31, 2022		March 31, 2021	
	Amount of loan in million	% of total loan	Amount of loan in million	% of total loan
Non current				
Loans to related parties				
Fellow subsidiaries	-	0.00%	-	0.00%
Wholly owned subsidiaries	1,165.66	100.00%	1,515.32	100.00%
Totals	**1,165.66**	**100.00%**	**1,515.32**	**100.00%**
Current				
Loans to related parties				
Fellow subsidiaries	35.52	0.77%	302.56	88.20%
Wholly owned subsidiaries	4,550.74	99.23%	40.46	11.80%
Totals	**4,586.26**	**100.00%**	**343.02**	**100.00%**

NOTE 7: TRADE RECEIVABLES

(₹ in million)

	31 March 2022	31 March 2021
Non-current		
Trade receivables	699.43	592.08
Total	**699.43**	**592.08**
Break-up for security details:		
- Unsecured, considered good		
- Unsecured, credit impaired receivables	699.43	592.08
	699.43	**592.08**
Impairment allowance (allowance for bad and doubtful debts)		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	699.43	592.08
Total non-current trade receivables	-	-

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
Current		
Other trade receivables	6,684.75	6,073.57
Receivable from related parties (refer note 45)	6,806.75	3,681.84
Total	**13,491.50**	**9,755.41**
Break-up for security details:		
- Unsecured, considered good	13,491.50	9,755.41
- Unsecured, credit impaired receivables	-	-
	13,491.50	**9,755.41**
Impairment allowance (allowance for bad and doubtful debts)		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	-	-
	13,491.50	**9,755.41**
Total current trade receivables	**13,491.50**	**9,755.41**

Ageing of current trade receivables

₹ in million

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022							
Undisputed Trade receivables – considered good	9,908.00	2,969.92	269.60	164.55	45.11	134.32	13,491.50
Undisputed Trade receivables – which have significant increase in credit risk							-
Undisputed Trade receivables – credit impaired	-	64.93	9.04	184.75	5.27	435.45	699.43
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**9,908.00**	**3,034.85**	**278.63**	**349.30**	**50.38**	**569.77**	**14,190.93**
As at 31 March 2021							
Undisputed Trade receivables – considered good	8,805.62	172.72	63.31	180.73	417.70	115.33	9,755.42
Undisputed Trade receivables – which have significant increase in credit risk							-
Undisputed Trade receivables – credit impaired	-	116.57	22.54	-	54.40	398.56	592.08
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**8,805.62**	**289.30**	**85.86**	**180.73**	**472.10**	**513.89**	**10,347.50**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

Trade receivables are non-interest bearing and credit period varies as per the contractual terms with the customers.

Refer note 43 on credit risk of trade receivables, which explains how the Company manages and measures credit quality of trade receivables that are neither past due or impaired.

No due date of payment is specified for trade receivables pertaining to joint ventures hence the ageing has been considered from the date of the transaction.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 8: OTHER FINANCIAL ASSETS

(₹ in million)

	31 March 2022	31 March 2021
Non-current		
Security deposits (unsecured, considered good)	66.20	58.93
Other bank balance (refer note 13)	848.83	1,036.62
Total other non-current financials assets	**915.03**	**1,095.55**
Current		
Security deposits (unsecured, considered good)	41.48	39.18
Advances recoverable in cash or kind (unsecured, considered good) (refer note 45)	28.40	70.12
Interest accrued on fixed deposits	28.24	6.70
Earnest money deposit with customer (unsecured, considered good)	40.52	24.26
Receivable from India Grid Trust for sale of investments (unsecured, considered good)	1,237.67	150.38
Other receivables from related parties (unsecured, considered good) (refer note 45)	136.87	37.83
	1,513.18	**328.47**
Derivative instruments		
- Forward contracts	-	-
- Commodity futures	522.69	1,173.86
	522.69	1,173.86
Total other current financial assets	**2,035.87**	**1,502.33**

Security deposits are non-derivative financial assets and are refundable in cash. These are measured based on effective interest method.

Derivative instruments reflect the change in fair value of foreign exchange forward contracts and commodity futures, designated as cash flow hedges to hedge highly probable forecasts / firm commitments for foreign currency sales and purchases and foreign currency receivables and payables in US Dollars (USD) and Euros (EUR).

Earnest money deposit from customers are non-derivative financial assets and are refundable in cash.

Receivables from related parties are non-derivative financial assets and are refundable in cash.

NOTE 9: OTHER ASSETS

(₹ in million)

	31 March 2022	31 March 2021
Non-current		
Balances with government authorities	335.09	642.74
Deposit paid under dispute (refer note 37)	78.14	69.66
Prepaid expenses	21.90	49.01
Total other non-current assets	**435.14**	**761.41**
Current		
Advances to vendors/contractors (unsecured)	936.33	2,044.96
Balances with government authorities	1,671.11	1,547.60
Prepaid expenses	290.39	103.76
Contract assets related to EPC contracts	976.82	1,440.03
Others	1.17	-
Total other current assets	**3,875.82**	**5,136.35**

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 10: ASSETS AND LIABILITIES HELD FOR SALE

Pursuant to Ind AS - 105 ""Non Current Assets Held for Sale and Discontinued Operations"", the Company has identified non-current assets referred to in below notes as held for sale as the carrying amount of these assets will be recovered principally through a sale transaction rather than through continuing use. These assets are available for immediate sale in its present condition and the sale transactions are highly probable.

Following assets and liabilities are classified as held for sale as at 31 March 2022 and as at 31 March 2021:

(₹ in million)

	31 March 2022	31 March 2021
Indigrid Investment Managers Limited ("IIML")(refer note 10(a))		
Investment in equity shares		
Nil (31 March 2021: 8,74,729 shares)	-	21.01
Total	**-**	**21.01**
Investment in non-convertible debentures (unquoted) (valued at amortised cost) (refer note 10(b))		
Sterlite Grid 14 Limited		
Nil (31 March 2021: 2,85,52,850) 12.30% Non- convertible debentures of face value of ₹10 each	-	285.53
Sterlite Grid 18 Limited		
Nil (31 March 2021:10,46,12,610.50) 12.30% Non- convertible debentures of face value of ₹10 each	-	1,046.13
Total	**-**	**1,331.66**
Investment in equity shares		
Khargone Transmission Limited [refer note 10(c)]		
1.56 million equity shares of ₹ 10 each fully paid up	101.35	
Total	**101.35**	**-**
Assets classified as held for sale - current	**101.35**	**1,352.66**

(a) **Sale of shares held in Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)**
Pursuant to “Share Subscription and Purchase Agreement” executed between Electron IM PTE. LTD ('EIMPT') and the Company on 30 April 2019, the Company had to sell 74% of its stake in its subsidiary IIML in two tranches starting from 30 June 2019 till 30 Jun 2021. In earlier year, the Company sold 60% of its stake in IIML for a consideration of ₹ 60.05 million. Further, the remaining investment in IIML to the extent of 14% disclosed as "asset classified as held for sale"" on 31 March 2021. During the current year, the Company has sold investment to the extent of 14% for a consideration of ₹ 109.96 million.

Further, during the current year, the Company has executed an amendment agreement to “Share Subscription and Purchase Agreement” executed on 30 April 2019. Pursuant to the amendment agreement, the Company has sold its remaining stake of 26% in IIML for consideration of ₹ 250.00 million and recognised resultant gain of ₹ 210.98 million.

(b) **Sale of non-convertible debentures of Sterlite Grid 14 Limited and Sterlite Grid 18 Limited**
The Company has entered into a Framework Agreement with AMP Capital Infrastructure Investment No.2 S.A R.L. (‘AMP Capital’) dated 28 December 2020 (‘the Agreement’) for investment in the subsidiaries of the Company which are engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a ‘build own operate and maintain’ basis in India. Pursuant to the Agreement, AMP Capital would invest in 50% of the promoter's investment in the form of equity shares, non-convertible debentures and compulsorily convertible debentures in Sterlite Grid 14 Limited (‘SGL14’) and Sterlite Grid 18 Limited (‘SGL18’). Accordingly, as per the terms of the Agreement, 50% of the non-convertible debentures of the above mentioned entities which were held by the Company have been sold to AMP Capital subsequent to the balance sheet date and hence are classified as assets held for sale as at March 31, 2021.

(c) **Sale of Khargone Transmission Limited**
The Company had entered into a Framework agreement with India Grid Trust for selling its entire stake in Khargone Transmission Limited at values agreed in the Framework agreement subject to certain adjustments and the requisite approvals. Since project has been commissioned during the year, it is highly probable that company will realise it's value through sale rather than continue to use. Therefore all the assets held in the Khargone transmission limited has been classified as held for sale.

Notes to Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ million unless otherwise stated)

NOTE 11: INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in million)

	31 March 2022	31 March 2021
Raw materials and components [includes stock in transit ₹ 51.49 million (31 March 2021: ₹ 692.36 million)]	809.56	1,871.70
Work-in-progress	340.83	205.64
Finished goods [includes stock in transit ₹ 175.38 million (31 March 2021: ₹ 451.22 million)]	497.42	762.44
Construction material [includes stock in transit ₹ 302.77 million (31 March 2021: ₹ 412.72 million)]	309.98	412.72
Traded goods	11.20	58.21
Stores, spares, packing materials and others	235.59	180.40
Total	**2,204.57**	**3,491.11**

NOTE 12: CASH AND CASH EQUIVALENTS

(₹ in million)

	31 March 2022	31 March 2021
Balances with banks:		
On current accounts	759.51	1,868.42
Cash in hand	0.03	0.03
Deposits with original maturity for less than three months	1,100.00	-
Total	**1,859.54**	**1,868.45**

NOTE 13: OTHER BANK BALANCES

(₹ in million)

	31 March 2022	31 March 2021
Deposits with original maturity for more than 3 months but less than 12 months*	465.64	1,739.70
Deposits with original maturity for more than 12 months**	848.83	1,036.62
	1,314.47	**2,776.32**
Less: Amount disclosed under non current assets	(848.83)	(1,036.62)
Total	**465.64**	**1,739.70**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods, depending on the immediate cash requirements of the Company, and earns interest at the respective short-term deposit rates.

** Held as lien by bank.*

*** Held as lien by banks and lien with Government authorities.*

NOTE 14: SHARE CAPITAL

	Nos. in million	₹ in million
Authorised shares (nos. million)*		
Authorised share capital as on 01 April 2020	6,380.00	12,760.00
Increase / (Decrease) in authorised share capital	-	-
Authorised share capital as on 31 March 2021	**6,380.00**	**12,760.00**
Increase / (Decrease) in authorised share capital on merger (refer note 49)	0.25	0.50
Authorised share capital as on 31 March 2022	**6,380.25**	**12,760.50**
Issued, subscribed and fully paid-up shares (nos. million)		
61.18 (31 March 2021: 61.18) equity shares of ₹ 2 each fully paid - up.	122.36	122.36
Total issued, subscribed and fully paid-up share capital	**122.36**	**122.36**

** Authorised share capital has been disclosed after considering the impact of merger as mentioned in note 49*

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	Nos. in million	₹ in million
At 01 April 2020	**61.18**	**122.36**
Add: Changes during the year	-	-
At 31 March 2021	**61.18**	**122.36**
Add: Changes during the year	-	-
At 31 March 2022	**61.18**	**122.36**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. In case dividend is proposed by the board of directors, the same is subject to the approval of the shareholders in the general meeting. For the previous year ended March 31, 2021 the Company had declared dividend of 5.30 per share after the reporting period but before the financials statements approval date. The Company has not declared dividend in the current year.

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 shareholders.

c. Shares held by holding company and their subsidiaries/associates:

	March 31, 2022		March 31, 2021	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	43.67	71.38%	43.67	71.38%
Subsidiary of Volcan Investments Limited, Bahamas				
(Ultimate holding company)				
Vedanta Limited	0.95	1.56%	0.95	1.56%

d. Detail of shareholders holding more than 5 % of shares in the Company

	March 31, 2022		March 31, 2021	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	43.67	71.38%	43.67	71.38%

e. Detail of shareholding of Promoters

	March 31, 2022				
Name of the promoters	No. of shares in million at the beginning	Change	No. of shares in million at the end	% of Total shares	% Change during the year
Twin Star Overseas Limited, Mauritius	43.67	-	43.67	71.38%	-
Equity shares at ₹ 2 each fully paid up					
Total	**43.67**	**-**	**43.67**	**71.38%**	**-**

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Name of the promoters	March 31, 2021				
	No. of shares in million at the beginning	Change	No. of shares in million at the end	% of Total shares	% Change during the year
Twin Star Overseas Limited, Mauritius					
Equity shares at ₹ 2 each fully paid up	43.67	-	43.67	71.38%	-
	43.67	**-**	**43.67**	**71.38%**	**-**

The shareholding information is based on the legal ownership of shares and has been extracted from the records of the Company including register of shareholder/members.

NOTE 15: OTHER EQUITY

(₹ in million)

	31 March 2022	31 March 2021
Securities premium		
Balance as per last financial statements	4,536.80	4,536.80
Add: Movement during the year	-	-
Closing balance	**4,536.80**	**4,536.80**
Retained earnings		
Balance as per last financial statements	1,820.28	(3,411.53)
Add: Adjustment on merger of Sterlite Grid 4 Limited (refer note 49)	10,441.71	-
Less: Transfer to capital redemption reserve (refer note 15.4)	-	(36.00)
Add: Balance transferred from capital redemption reserve (refer note 15.4)	-	1,543.65
Add/(less): Profit for the year	2,465.78	3,629.24
Add/ (less): Remeasurement of post employment benefit obligation, net of tax	(7.77)	(3.40)
Add: Realised gain on sale of investments in subsidiaries transferred from FVTOCI reserve	336.65	98.32
Less: Dividend (refer note 15A)	(324.26)	-
Add: Transfer from debenture redemption reserve	200.00	-
Closing balance	**14,932.38**	**1,820.28**
Others		
FVTOCI reserve		
Balance as per last financial statements	6,517.29	11,565.19
Add: Adjustment on merger of Sterlite Grid 4 Limited (refer note 49)	(8,692.88)	
Less: Change in fair value of investments through other comprehensive income	911.67	(4,949.58)
Add: Realised gain on sale of investments in subsidiaries transferred to retained earnings	(336.65)	(98.32)
Closing balance	**(1,600.57)**	**6,517.29**
Debenture redemption reserve		
Balance as per last financial statements	-	-
Add: Adjustment on merger of Sterlite Grid 4 Limited (refer note 49)	200.00	-
Less: Transferred to retained earning	(200.00)	-
Closing balance	-	-
Cash flow hedge reserve		
Balance as per last financial statements	769.94	(1,619.00)
Add: Cash flow hedge reserve created on hedging contracts	2,509.50	2,249.59
Less: Amount reclassified to statement of profit and loss	(1,676.34)	(139.35)
Closing balance	**1,603.10**	**769.94**
Capital redemption reserve		
Balance as per last financial statements	36.02	1,543.67
Less: Movement during the year	-	(1,507.65)
Closing balance	**36.02**	**36.02**
Total other reserves	**38.55**	**7,323.26**

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Nature and purpose of reserves:

15.1 Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

15.2 FVTOCI reserve

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

15.3 Cash flow hedge reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with receivable and payable and commodity risk associated with purchase of aluminium and copper. For hedging these risks, the Company uses commodity future and foreign currency forward contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects the statement of profit or loss.

15.4 Capital redemption reserve

During the year ended 31 March 2020, erstwhile wholly owned subsidiary of the Company, Sterlite Power Grid Ventures Limited ('SPGVL') redeemed 154.36 million redeemable preference shares of face value of ₹ 10 each which were issued to the Company and created capital redemption reserve of ₹1,543.65 million as per the requirement of section 69 of the Companies Act, 2013.

During the previous year, National Company Law Tribunal ('NCLT') approved the scheme of amalgamation ('the Scheme') of SPGVL with the Company from an appointed date of 1 April 2017 ("Appointed date") which was filed with the Registrar of Companies on 15 November 2020 ("Effective date"). Since the merger of SPGVL with the Company takes effect from the Appointed date, the capital redemption reserve of ₹1,543.65 million which was created on redemption of redeemable preference shares after Appointed date but before the Effective date of the Scheme has been transferred to retained earnings based on a legal opinion obtained by the management and the shareholders approval obtained in the last AGM.

Also during the Previous year, the Company had redeemed 18 million redeemable preference shares of face value of ₹ 2 each issued to Clix Finance India Private Limited. Accordingly, the Company created capital redemption reserve of ₹ 36 million in compliance of Section 69 of the Companies Act, 2013.

15.5 Debenture Redemption reserve

During the current year, Sterlite Grid 4 Limited has been merged with the Company. Sterlite Grid 4 Limited had created debenture redemption reserve of ₹ 200.00 million in compliance with section 71(4) of the Companies Act 2013.

NOTE 15A: DISTRIBUTION MADE AND PROPOSED

(₹ in million)

	31 March 2022	31 March 2021
Dividends on Equity shares declared and paid:		
Interim dividend for the year ended on 31 March 2022: ₹ 5.75 per share (31 March 2021: ₹ Nil per share.)	324.26	-
	324.26	-

Dividend amounting to ₹ 6.29 million (31 March 2021: ₹ Nil) is unclaimed and outstanding as on 31 March 2022. (refer note 17)

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 16A: NON CURRENT BORROWINGS

(₹ in million)

	31 March 2022	31 March 2021
Term loan		
Indian rupee loan from bank (secured) (refer note 16A(a))	-	-
Indian rupee loan from financial institution (secured) (refer note 16A(b))	187.61	375.00
Total non-current borrowings	**187.61**	**375.00**
Current maturities of long-term borrowing		
Indian rupee loan from bank (secured) (refer note 16A(a))	-	40.00
Indian rupee loan from financial institution (secured) (refer note 16A(b))	375.00	385.00
Total	**375.00**	**425.00**
Other current maturities		
Interest accrued but not due on long term borrowing (secured)	0.17	0.18
Total	**375.17**	**425.18**

Term Loans

a **Indian rupee term loan from bank**

The Company availed term loan under COVID-19 emergency line of credit from Union Bank of India. The term loan carries interest at the rate of 8% p.a. payable monthly. The term loan is to be repaid in 18 monthly instalments of ₹ 2.50 million after 6 months of moratorium period ending on February 2021 from date of disbursement.
The term loan is secured by:

a) First pari-passu charge by the way of hypothecation of stock and book debts;

b) Second pari-passu charge on movable fixed assets of the Company (present and future)

The loan has been repaid during the financial year ended 31 March 2022.

b **Indian rupee term loan from financial institution**

i) The Indian rupee term loan from Clix Capital Services Private Limited carries interest at the rate of 11.75% p.a. payable monthly. Entire loan amount shall be repayable in two equal quarterly instalments starting from 3 months less than final maturity from the date of disbursement 31 March 2021 and at the end of final maturity i.e. 31 December 2020 and 30 April 2021 respectively.

The term loan is secured by:

a) First pari-passu charge over all present and future current assets of the borrower;

b) Second pari-passu charge over all present and future immovable and movable fixed assets of the borrower;

c) Demand promissory note

d) DSRA equivalent to 1 month interest ensuing interest service obligation

The loan has been repaid during the financial year ended 31 March 2022.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

ii) The Indian rupee loan of ₹ 562.61 million from Arka Fincap Limited carries interest at the rate of 11.25% p.a. payable monthly. The loan amount shall be repayable in four semi annual instalments from date of disbursement. The loan is secured by:

a) First paripassu charge over all current assets of the Company, both present and future immovable and movable fixed assets of the Company

b) Second paripassu charge over all the movable and immovable assets of the Company

c) Interest service reserve (ISRA) of 1 months to be maintained in the form of FDs charged in favour of lender at all times during the tenor of the facility.

The Company has satisfied the covenants attached to the borrowings.

The Company has not been reported as wilful defaulter during the current year

c Redeemable preferences shares

The preference shares carried 0.01% non-cumulative dividend. Holders of preference shares had a preferential right to receive their redemption value in precedence to holders' of equity shares in the event at liquidation.

(₹ in million)

	31 March 2022	31 March 2021
Authorised shares (nos. million)		
36.40 (31 March 2021: 36.40) redeemable preference shares of ₹ 2 each	72.80	72.80
Issued, subscribed and fully paid-up shares (nos. million)		
Nil (31 March 2021: Nil) cumulative redeemable preference shares of ₹ 2 each		
- Nominal value	-	-
- Securities premium	-	-

Reconciliation of the preference shares outstanding at the beginning and at the end of the reporting period

Description	Nos. in million	₹ in million
As at 01 April 2020	**18.00**	**36.00**
Add: Issued during the year	-	-
Less: Redeemed during the year	(18.00)	(36.00)
As at 31 March 2021	-	-
Add: Issued during the year	-	-
As at 31 March 2022	-	-

d Optionally convertible redeemable preference shares

(₹ in million)

	31 March 2022	31 March 2021
Authorised shares (nos. million)		
470.00 (31 March 2021: 470.00) optionally convertible redeemable preference shares of ₹ 10 each	4,700.00	4,700.00
Issued, subscribed and fully paid-up shares (nos. million)		
Nil (31 March 2021: Nil) optionally convertible redeemable preference shares of ₹ 10 each		
- Nominal value	-	-
- Securities premium	-	-

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 16B: SHORT TERM BORROWINGS

(₹ in million)

	31 March 2022	31 March 2021
Current maturities of long-term borrowings (refer note 16A)	375.00	415.00
Interest accrued but not due on long term borrowings (refer note 16A)	0.17	0.18
Loan from others (unsecured) (refer note 16B(i) and 45)	1,500.00	2,178.33
Cash credit from banks (secured) (refer note 16B(ii))	-	1,299.34
Working capital demand loans from banks (secured) (refer note 16B(iii))	-	1,766.46
Suppliers credit (secured) (refer note 16B(iv))	289.24	144.26
Suppliers credit (unsecured) (refer note 16B(v))	161.23	418.73
Short term loan from financial institution (refer note 16B(vi, vii and viii))	-	650.00
Total	**2,325.64**	**6,872.31**
The above amount includes		
Secured borrowings	664.42	4,275.25
Unsecured borrowings	1,661.23	2,597.06

(i) Loan from others for ₹ 1,500.00 million (31 March 2021 ₹ 1,500.00 million) include from PTC Cables Private Limited with an interest rate between 9.50% p.a. (SBI MCLR + 250 Basis points). However, the Company can repay the partial or full amount to the lender with prior not less than 10 days irrevocable notice or the lender may ask for the repayment by giving 5 business days notice to the Company. It also includes an interest free unsecured loan of Nil (31 March 2021: ₹ 678.33 million) from Sterlite Grid 4 Limited (refer note 49) which was repayable on demand. (refer note 49)

(ii) Cash credit from banks is secured by hypothecation of raw materials, work in progress, finished goods and trade receivables as primary charge and by hypothecation of movable as collateral charge. Some cash credit limits are also secured by way of second charge over immovable fixed assets and some are secured by hypothecation of entire current assets and receivables both present and future. The cash credit is repayable on demand and carries interest @ 9.05% - 11.45% p.a. (31 March 2021: 9.05% - 13.35% p.a.).

(iii) Working capital demand loans from banks are secured by hypothecation of raw materials, work in progress, finished goods and trade receivables as primary charge and by hypothecation of movable fixed assets as collateral charge. Some working capital demand loans are secured by hypothecation of entire current assets and receivables both present and future. Working Capital Demand Loan is generally taken for a period of less than 365 days and carries interest @ 7.65% - 11.55% p.a. (31 March 2021: 7.55% - 12.45% p.a.).

(iv) Secured suppliers' credit arrangements are secured by hypothecation of raw materials, work in progress, finished goods and trade receivables. Suppliers' credit is generally repaid after a period of six months where foreign currency suppliers credit carry interest @ Nil (31 March 2021: 1.20% - 3.28% p.a).(excluding hedging premium) and domestic suppliers credit carry interest @ 8.55 to 8.60% p.a (31 March 2021: 6.40% - 10.00% p.a.).

(v) Unsecured suppliers credit consists of financing of payable to MSME and other vendors with banks and is generally taken for a period of not more than 90 days. It carries interest @ 7.00% - 8.50% p.a.(31 March 2021: 8.25% - 9.50% p.a.).

(vi) The Indian rupee loan of ₹ 500 million from Arka Fincap Limited carries interest at the rate of 12.50% p.a. payable quarterly. Entire loan amount was repayable as a bullet repayment on 30 September 2021. The loan was secured by:

a) First exclusive charge over loans and advances extended by SPTL to any one or more intermediate holding Companies (SGLs) up to an amount of ₹ 75 crore;

b) Interest service reserve (ISRA) of 3 months to be maintained in the form of FDs charged in favour of lender at all times during the tenor of the facility.

The loan has been repaid during the financial year ended 31 March 2022.

(vii) The Indian rupee loan of ₹ 100 million from Aditya Birla Finance Limited ('ABFL') carries floating interest rate of 12.00% p.a. payable quarterly linked to ABFL long term reference rate. Entire loan amount shall be repayable as a bullet repayment at the end of 12 months from the date of disbursement.

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The loan is secured by:

a) First pari-passu charge by way of hypothecation on borrower's current assets to be created and perfected within 120 days from the date of first disbursement;

b) Exclusive pledge of 20,39,880 units of India Grid Trust ("Indigrid Invit") (including charge on dividend/distribution received), held by borrower in demat form, providing a minimum facility cover of 2x for ABFL facility at all times.

c) Any dividend/ distribution received from the units by borrower shall be used to purchase ABSLMF's liquid/overnight debt MF units on the day/net day of such receipt, which shall be lien marked to ABFL. The MF units purchased shall be liquidated on the date of ABFL debt servicing, to service facility dues.

d) Interest service reserve account (ISRA) equivalent to interest servicing for 2 quarters to be created upfront as lien marked liquid/overnight debt MF units of ABSL mutual fund, to the satisfaction of ABFL

The loan has been repaid during the financial year ended 31 March 2022.

(viii) The Indian rupee loan of ₹ 50 million from Aditya Birla Finance Limited ('ABFL') carries floating interest rate of 12.00% p.a. payable quarterly linked to ABFL long term reference rate. Entire loan amount shall be repayable as a bullet repayment at the end of 12 months from the date of disbursement.

The loan is secured by:

a) First pari-passu charge by way of hypothecation on borrower's current assets to be created and perfected within 120 days from the date of first disbursement;

b) Interest service reserve account (ISRA) equivalent to interest servicing for 2 quarters to be created upfront as lien marked liquid/overnight debt MF units of ABSL mutual fund, to the satisfaction of ABFL.

The loan has been repaid during the financial year ended 31 March 2022.

NOTE 17: OTHER FINANCIAL LIABILITIES

(₹ in million)

	31 March 2022	31 March 2021
Non Current		
Payable against purchase consideration (refer note 5B(f))	111.15	-
Employee benefits payable	36.70	-
Other liability	1.37	619.97
Total non-current financial liabilities	**149.21**	**619.97**
Current		
Derivative instruments		
- Forward contracts	7.46	115.63
Interest accrued but not due on short term borrowings	351.83	257.60
Interest free deposit from customers	2.20	3.30
Earnest money deposit from vendors	1.00	2.01
Payables for property, plant and equipment	65.13	4.74
Payable for employee stock appreciation rights (refer note 47)	-	304.18
Payable against purchase consideration (refer note 5B (f))	100.00	-
Employee benefits payable	265.78	80.10
Others	68.07	142.73
Total current financial liabilities	**861.46**	**910.28**

Payables for purchase of property, plant and equipment are non-interest bearing and are normally settled on 30-90 days terms.

Derivative instruments reflect the change in fair value of foreign exchange forward contracts and commodity futures, designated as cash flow hedges to hedge highly probable forecasts / firm commitments for foreign currency sales and purchases and foreign currency receivables and payables in US Dollars (USD) and Euros (EUR).

Interest free deposits from customer and earnest money deposits to vendor are non interest bearing.

Other payables are non-interest bearing and have an average term of 30 -180 days

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Interest payable is normally settled monthly throughout the financial year.

For explanations on the Company's credit risk management processes, refer to note 43.

NOTE 18: EMPLOYEE BENEFIT OBLIGATIONS

(₹ in million)

	31 March 2022	31 March 2021
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 34)	74.04	76.67
Total non-current employee benefit obligations	**74.04**	**76.67**
Current		
Provision for employee benefits		
Provision for gratuity (refer note 34)	24.12	23.71
Provision for leave benefit	82.14	74.47
Total current employee benefit obligations	**106.26**	**98.18**

NOTE 19: DEFERRED TAX LIABILITIES (NET)

(₹ in million)

	31 March 2022	31 March 2021
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	35.13	55.49
Fair valuation of land on transition date	38.86	38.86
Fair valuation of FVTOCI investments	-	1,968.86
Cash Flow Hedge Reserve	538.28	230.90
Others	144.91	32.80
Gross deferred tax liability	**757.18**	**2,326.91**
Deferred tax assets		
Provision for doubtful debts and advances	149.60	122.58
Provision for impairment of investment	-	-
Capital loss of sale of investment	13.09	173.78
Expenses disallowed in income tax, allowed as and when incurred	171.14	171.14
Business loss	-	-
Others	123.11	70.35
Gross deferred tax assets	**456.94**	**537.85**
Net deferred tax liability	**300.25**	**1,789.06**

Reconciliation of deferred tax liability

(₹ in million)

	31 March 2022	31 March 2021
Opening deferred tax liability, net	1,789.06	2,675.50
Deferred tax credit recorded in statement of profit and loss	14.59	162.70
Deferred tax charge recorded in OCI	707.41	(1,470.43)
Deferred tax gain credited to cash flow hedge reserve	307.38	237.63
Deferred tax asset on business losses reversed during the year	-	194.05
Deferred tax liability transferred to current tax liability on sale of investments	60.82	(9.25)
Adjustment on merger of Sterlite Grid 4 Limited (refer note 49)	(2,579.01)	-
Others	(0.01)	(1.14)
Closing deferred tax liability, net	**300.25**	**1,789.06**

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

(₹ in million)

	31 March 2022	31 March 2021
Profit or loss section		
Current Income Tax Charges:		
Current income tax	541.91	134.08
Adjustment of tax relating to earlier periods	(145.07)	(1,342.49)
Deferred Tax		
Relating to origination and reversal of temporary differences	14.59	162.70
Income tax expenses reported in the statement of profit or loss	**411.43**	**(1,045.71)**
OCI Section		
Deferred tax related to items recognised in OCI during in the year:		
Net (gain)/loss on revaluation of cash flow hedges	307.38	237.63
Re-measurement loss defined benefit plans	(2.61)	(1.14)
Income tax charged through OCI	710.02	(1,470.43)
	1,014.79	**(1,233.94)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:

(₹ in million)

	31 March 2022	31 March 2021
Accounting profit before income tax	2,877.22	2,583.53
At India's statutory income tax rate of 25.168% (31 March 2021: 25.168%)	724.20	650.22
Permanent difference on account expenses disallowed	8.56	5.12
Permanent difference on account of exempt income	(35.87)	(354.87)
Difference in income tax rate considered for deferred tax on capital assets	(17.93)	(16.96)
Deferred tax asset not recognised	-	117.76
Interest cost benefit on NCDs of Sterlite Grid 4 Limited for financial year ended 31 March 2022	(98.16)	
Tax /(Reversal of tax) for earlier years	(145.07)	(1,342.49)
Others	(24.28)	(104.49)
At the effective income tax rate of 14.30% (31 March 2021: 40.48%)	**411.44**	**(1,045.70)**
Income tax expense reported in the statement of profit and loss	**411.43**	**(1,045.71)**

For the purpose of recognition and measurement of income tax the amalgamation of Sterlite Grid 4 Limited ("SGL4") with the Company has been considered from the appointed date of April 1,2020 as required by the Income Tax Act, 1961 resulting utilisation of business losses of the Company against the tax liability of SGL4 resulting in earlier year tax credit of ₹ 145.07 million.

During the previous year, the Company had received approval from the National Company Law Tribunal ("NCLT") for scheme of merger Sterlite Power Grid Ventures Limited ("SPGVL") its wholly owned subsidiary of the Company, with the Company ("the Scheme") with the appointed date of 01 April 2017 vide order date 22 May 2020 which was received by the Company on 21 October 2020 and filed with ROC on November 15, 2020. Pursuant to the scheme, the Company had filed revised income tax returns for the respective assessment years. Accordingly, the business losses and unabsorbed depreciation of the Company were set off against the taxable income of erstwhile SPGVL, resulting in reversal of income tax provision of ₹ 1,342.59 million pertaining to years prior to financial year ended 31 March 2021.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 20: TRADE PAYABLES

(₹ in million)

	31 March 2022	31 March 2021
Current		
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 40)	490.95	522.16
- total outstanding dues of creditors other than micro enterprises and small enterprises(MSME)	12,506.61	13,099.43
	12,997.57	**13,621.59**
Trade payables to related parties (refer note 45)	106.27	133.14
Operational suppliers credit from related parties (refer note 45)	3,316.99	2,051.10
Other trade payables	9,574.31	11,437.35
Total	**12,997.57**	**13,621.59**

Ageing of trade payables

Particulars	Outstanding for following periods from due date of payment						
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022							
Dues							
(i) MSME	42.44	-	360.39	83.46	-	4.66	490.95
(ii) Others	10,671.92	606.46	1,156.10	68.32	2.74	1.08	12,506.61
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**10,714.36**	**606.46**	**1,516.49**	**151.79**	**2.74**	**5.74**	**12,997.57**
As at 31 March 2021							
Dues							
(i) MSME	327.71	-	134.17	50.30	6.80	3.19	522.16
(ii) Others	10,594.06	796.91	1,326.82	161.96	33.06	186.62	13,099.43
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**10,921.77**	**796.91**	**1,460.99**	**212.26**	**39.86**	**189.81**	**13,621.59**

a) Trade payables are non-interest bearing and are normally settled on 60-180 days terms

b) Operational supplier's credit are availed in Indian Rupees at an interest rate of 7.50%-8.00% and is backed by Standby Letter of Credit issued under working capital facilities sanctioned by domestic banks. Part of these facilities are secured by first pari passu charge over the present and future current assets of the Company.

NOTE 21: OTHER LIABILITIES

(₹ in million)

	31 March 2022	31 March 2021
Non-Current		
Contract liabilities for EPC contracts including advances from customers*	2,249.29	4,086.68
Total other non-current liabilities	**2,249.29**	**4,086.68**
Current Liabilities		
Advance from customers	288.85	486.86
Goods and service tax payable	113.77	-
Withholding taxes (TDS) payable	114.03	146.27
Contract liabilities for EPC contracts including advances from customers*	5,578.04	5,956.71
Others	289.61	504.93
Total	**6,384.29**	**7,094.77**

** The Company has provided corporate guarantees against the advances received from joint ventures.*

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 22: REVENUE FROM OPERATIONS

(₹ in million)

	31 March 2022	31 March 2021
Revenue from contract with customers		
Sale of goods and services (see notes below)	37,810.79	29,104.64
Other operating revenue		
Sale of scrap	128.45	100.66
Export incentives #	-	53.98
Management fees (refer note 45)	34.60	79.23
Total revenue from operations	**37,973.84**	**29,338.52**
# Export incentive are subject to realisation of proceeds of exports from customers.		
Type of goods or service:		
Revenue from sale of conductors and power cables	15,470.90	12,206.75
Revenue from engineering, procurement and construction (EPC) contracts	3,254.93	3,873.90
Revenue from engineering, procurement and construction (EPC) contracts with related parties (refer note 45)	18,469.45	12,364.51
Revenue form sale of traded goods	331.50	583.94
Revenue from project consultancy services	46.14	75.54
Revenue from services rendered to joint ventures (refer note 45)	237.88	-
Total revenue from contracts with customers	**37,810.79**	**29,104.64**
Geographical disaggregation:		
Within India	27,037.97	21,984.10
Outside India	10,772.82	7,120.54
Total revenue from contracts with customers	**37,810.79**	**29,104.64**
Timing of revenue recognition:		
Goods transferred at a point in time	15,802.40	12,790.70
Services transferred over time	22,008.39	16,313.95
Total revenue from contracts with customers	**37,810.79**	**29,104.64**

22 (a) Performance obligations

Information about the Company's performance obligations are summarised below:

Revenue from sale of conductors, power cables and traded goods

The performance obligation is satisfied upon delivery of conductor, power cable or traded aluminium ingots and rods and payment is generally due within 60 to 365 days from delivery. Some contracts provide the Company right to receive price variation from customers on account of changes in metal prices.

Revenue from engineering, procurement and construction (EPC) contracts

The performance obligation is satisfied progressively over the construction period. The Company's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the achievement of contractual milestones.

Project consultancy services

Project consultancy services represent the performance obligation for providing consultation services in relation to designing and testing of conductors and are satisfied over-time. Payment is generally due within 30 days from provision of service.

Revenue from services rendered to joint ventures

Services rendered to joint ventures represent the performance obligation for providing various consultation and agency services in relation to joint venture entities which are satisfied at a point of time.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

22 (b) Assets and liabilities related to contracts with customers

(₹ in million)

	31 March 2022	31 March 2021
Balances at the beginning of the year		
Trade receivables	9,755.41	8,639.88
Contract assets	1,440.03	2,208.49
Contract liabilities	10,043.39	7,199.88
Balances at the end of the year		
Trade receivables	13,491.50	9,755.41
Contract assets	976.82	1,440.03
Contract liabilities	8,116.18	10,043.39

The Company receives payments from customers based on a billing schedule, as established in the contracts. Contract asset relates to the conditional right to consideration for completed performance under the contract. Accounts receivable are recognised when the right to consideration becomes unconditional. Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognised as revenue as (or when) performed under the contract. Also there are no significant changes in the contract assets and contract liabilities balances during the reporting period.

22 (c) Revenue recognised in relation to contract liabilities

(₹ in million)

	31 March 2022	31 March 2021
Revenue recognised that was included in the contract liability balance at the beginning of the year	7,794.11	7,199.88

22 (d) Transaction price allocated to the remaining performance obligations

(₹ in million)

	31 March 2022	31 March 2021
Expected to be recognised as revenue over the next one year	28,423.59	29,191.52
Expected to be recognised as revenue beyond next one year	7,771.84	22,328.90
Total	**36,195.42**	**51,520.42**

NOTE 23: FINANCE INCOME

(₹ in million)

	31 March 2022	31 March 2021
Interest income on		
- Bank deposits	133.42	52.62
- Loans and Non -convertible debenture to related parties (refer note 45)	678.75	192.36
Gain on sale of non-convertible debentures	20.67	-
Gain on sale of mutual funds	-	4.93
Reversal of provision for interest on advance tax	-	78.40
Fair value gain on financial instruments measured at fair value through profit or loss	-	82.33
Others	16.44	29.93
Total	**849.28**	**440.57**

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 24: OTHER INCOME

(₹ in million)

	31 March 2022	31 March 2021
Net gains on sale of property, plant and equipment, (net)	-	1.86
Net gains on sale of investment in IIML(associate) and units of India Grid Trust (refer note 10a)	297.50	213.92
Consideration received from India Grid Trust on sale of Sterlite Grid 3 Limited	-	173.59
Consideration received from India Grid Trust on sale of investments in earlier years*	-	673.33
Income on investment in India Grid Trust	11.47	537.73
Dividend income on equity instruments measured at fair value through other comprehensive income	-	1,226.51
Miscellaneous income	62.88	150.37
Total	**371.85**	**2,977.31**

** In earlier years, the Company sold the investment in various subsidiaries to India Grid Trust. During the previous year, India Grid Trust has paid earn outs related to claim in increase in tariff due to change in law, income tax refund and VAT refund to the Company.*

NOTE 25: COST OF RAW MATERIAL AND COMPONENTS CONSUMED

(₹ in million)

	31 March 2022	31 March 2021
Inventory at the beginning of the year	1,871.70	1,454.23
Add: Purchases during the year	10,941.21	8,492.99
	12,812.92	**9,947.22**
Less: Inventory at the end of the year	809.56	1,871.70
Cost of raw material and components consumed	**12,003.35**	**8,075.52**

NOTE 26: CONSTRUCTION MATERIAL AND CONTRACT EXPENSES

(₹ in million)

	31 March 2022	31 March 2021
Construction material consumed		
Inventory at the beginning of the year	412.72	412.72
Add: Purchases during the year	12,392.13	6,529.07
Less: Inventory at the end of the year	(309.98)	(412.72)
	12,494.88	**6,529.07**
Subcontracting charges*	3,767.80	4,576.43
Total	**16,262.68**	**11,105.50**

**These charges pertain to services availed in relation to engineering, procurement and construction (EPC) contracts.*

NOTE 27: DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

(₹ in million)

	31 March 2022	31 March 2021
Opening inventories:		
Traded goods	58.21	34.90
Work-in-progress	205.64	264.51
Finished goods	762.44	2006.93
	1,026.29	**2,306.34**
Closing inventories:		
Traded goods	11.20	58.21
Work-in-progress	340.83	205.64
Finished goods	497.42	762.44
	849.45	**1,026.29**
Decrease in inventories of finished goods, work-in-progress and traded goods	**176.85**	**1,280.05**

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 28: EMPLOYEE BENEFITS EXPENSE

(₹ in million)

	31 March 2022	31 March 2021
Salaries, wages and bonus	1,916.83	1,992.32
Contribution to provident fund and superannuation fund	56.61	62.60
Employees stock appreciation rights expense (refer note 47)	(16.37)	261.14
Gratuity expense (refer note 34)	24.53	34.92
Staff welfare expenses	65.00	46.52
Total	**2,046.60**	**2,397.50**

NOTE 29: OTHER EXPENSES

(₹ in million)

	31 March 2022	31 March 2021
Consumption of stores and spares	91.27	67.58
Power, fuel and water	303.02	196.80
Repairs and maintenance		
- Building	17.37	16.77
- Machinery	122.54	71.97
Service expenses and labour charges	247.53	212.21
Consumption of packing materials	324.10	296.18
Sales commission	168.53	182.13
Advertisement & sales promotion	33.72	11.68
Carriage outwards	814.27	464.79
Rent	50.62	35.17
Insurance	72.32	63.58
Rates and taxes	121.88	105.84
Travelling and conveyance	187.60	132.13
Legal and professional fees	307.63	1,149.87
Loss on sale of property, plant & equipment (net)	4.48	-
Corporate social responsibility expenses*	30.17	25.09
Impairment allowance for trade receivables and advances	103.59	97.64
Directors sitting fees (refer note 45)	14.17	14.50
Payment to auditor (refer details below)	12.20	13.93
Miscellaneous expenses	594.75	767.94
Total	**3,621.75**	**3,925.80**

Payment to auditor

(₹ in million)

	31 March 2022	31 March 2021
As auditor:		
Audit fee (including audit of consolidated financial statements)	9.55	8.00
Tax audit fee	1.25	1.25
Other services (fees related to certifications)	1.40	4.68
Total	**12.20**	**13.93**

**Section 135 of the Companies Act, 2013 not is applicable on the Company but 2% of its average net profits of the last three financial years is negative. Hence the Company isn't required to contribute towards Corporate Social Responsibility activities. Though during the current year the Company has spent ₹ 30.17 million.(31 March 2021 ₹: 25.09 million) on non-capital related activities.*

Details of CSR expenditure:

(₹ in million)

		31 March 2022	31 March 2021
a)	Gross amount required to be spent by the Company during the year	-	-
b)	Amount approved by the Board to be spent during the year	40.10	25.09

Notes to Financial Statements

for the year ended March 31, 2022
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(₹ in million)

Particulars	31 March 2022	31 March 2021
i) Construction/acquisition of any asset		
Amount spent during the year ending	-	-
ii) On purposes other than (i) above		
Amount spent during the year ending	30.17	25.09
d) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	9.93	-
- Other than ongoing project	-	-

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSE

(₹ in million)

	31 March 2022	31 March 2021
Depreciation of tangible assets	244.91	283.60
Depreciation of right-of-use assets	78.91	76.13
Amortisation of intangible assets	66.83	65.75
Total	**390.65**	**425.48**

NOTE 31: FINANCE COST

(₹ in million)

	31 March 2022	31 March 2021
Interest on financial liabilities measured at amortised cost	675.17	2,686.11
Bill discounting and factoring charges	78.05	248.49
Bank charges	349.48	388.27
Lease charges	16.85	3.94
Total	**1,119.56**	**3,326.81**

NOTE 31A: EXCEPTIONAL ITEMS

(₹ in million)

	31 March 2022	31 March 2021
Initial public offer related expenses	117.00	-
Total	**117.00**	-

**During the year, the Company had filed its Draft Red Herring Prospectus with Securities & Exchange Board of India (SEBI) for a proposed Initial Public Offering (IPO) of its equity shares. The Company incurred expenses of ₹ 117.00 million in connection with proposed IPO. Management has informed that the current market conditions are not conducive for listing and hence the same is not pursued. Accordingly, management has charged off expenses incurred on the IPO as non recurring expenses. Considering the nature of the expenses management has disclosed it as an "exceptional item" for the financial year ended March 31,2022. It also includes payment of ₹ 30.25 million made to auditors related to professional services rendered for special purpose audits, certification work and deliverables related to proposed initial public offer,*

NOTE 32: EARNINGS PER SHARE (EPS)

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders 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.

Notes to Financial Statements

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

(₹ in million)

	31 March 2022	31 March 2021
Profit attributable to equity shareholders for computation of basic and diluted EPS	2,582.78	3,629.26
Weighted average number of equity shares in calculating basic and diluted EPS	61.18	61.18
Earnings per share (₹)		
Basis and diluted (on nominal value of ₹ 2 per share)	42.21	59.32

NOTE 33: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

Assets held for sale

The Company had entered into a Framework agreement with India Grid Trust for selling its entire stake in Khargone Transmission Limited at values agreed in the Framework agreement subject to certain adjustments and the requisite approvals. Since project has been commissioned during the year, it is highly probable that company will realise it's value through sale rather than continue to use. Therefore the invetsment in Khargone Transmission Limited has been classified as held for sale.

Accounting for Merger of Sterlite Grid 4 Limited ("SG4L")

The Scheme of Amalgamation of Sterlite Grid 4 Limited ('SGL4') being a wholly owned subsidiary of the Company with the Company has been sanctioned by National Company Law Tribunal ('NCLT') vide its order dated 17 February 2022. The Company has received certified copy of the order which is filed with Registrar of Companies on March 14,2022 ('Effective date').

Management has assessed that the amalgamation of SGL4 (including project SPVs) with the Company is an asset acquisition since it doesn't fulfil / meet the definition of business as per Ind AS 103, Business Combinations. Therefore, the amalgamation of SGL4 with the Company is accounted from the Effective date when all substantial conditions for the transfer of assets and liabilities are completed. Also, the amalgamation of SGL4 with the Company is not considered as a common control transaction under Appendix C to Ind AS 103, the comparative periods are not restated.

"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.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Revenue recognition for construction contracts- EPC contracts

As described in Note 2.2, revenue and costs in respect of construction contracts are recognised by reference to stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Company estimates the total cost of the project at each period end. These estimates

Notes to Financial Statements

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are based on the rates agreed with vendors/sub contractors and management's best estimates of the costs that would be incurred for the completion of project based on past experience and/or industry data. These estimates are re-assessed at each period end. Variations in contract works, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract cost will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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 in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. 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 for the respective countries.

Further details about gratuity obligations are given in Note 34.

Taxes
Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses 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 the future tax planning strategies.

Fair value measurement of financial instruments
When the fair values of financial assets recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF 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. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Note 41,42 & 43 for further disclosures.

Provision for expected credit losses of trade receivables and contract assets
"The Company performs an impairment analysis at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical observed data for defaults. At every reporting date, the historical observed default rates are updated. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Further, for companies engaged in the power infrastructure business, major receivables are from few customers and is based on point of connection mechanism (Note 22), hence the concentration of risk with respect to trade receivables is low.

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NOTE 34: GRATUITY DISCLOSURES

The Company has a defined benefit gratuity plan. Every employee working in the Company gets a gratuity on departure at 15 days salary (last drawn salary) for completed period of service.

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

(₹ in million)

Particulars	31 March 2022	31 March 2021
Defined benefit obligation at the beginning of the year	100.37	84.72
Interest cost	5.67	4.70
Current service cost	18.87	16.87
Past service cost	-	13.35
Benefits paid directly by the Company	(22.48)	(23.82)
Actuarial (gain)/loss due to change in financial assumptions	6.77	(3.86)
Actuarial (gain)/loss on obligation due to experience adjustments	3.55	8.01
Actuarial (gain)/loss on obligation due to demographic assumptions	1.03	0.40
Present value of defined benefit obligation at the end of the year	**113.78**	**100.37**

Changes in the present value of the defined benefit plan asset:

(₹ in million)

Particulars	31 March 2022	31 March 2021
Defined benefit plan asset at the beginning of the year	-	-
Employer's contribution	24.99	-
Benefits paid directly by the Company	(10.33)	-
Return on plan assets excluding amounts recognised in net interest expense	0.96	-
Present value of defined benefit plan asset at the end of the year	**15.62**	**0.00**

Details of defined benefit obligation

(₹ in million)

Particulars	31 March 2022	31 March 2021
Present value of defined benefit obligation	113.78	100.37
Fair value of plan assets	15.62	-
Net defined benefit obligation	**98.16**	**100.37**

Net employee benefit expense recognised in the statement of profit and loss:

(₹ in million)

Particulars	31 March 2022	31 March 2021
Current service cost	18.87	16.87
Past service cost	-	13.35
Interest cost on benefit obligation	5.67	4.70
Net benefit expense	**24.54**	**34.92**

Expenses recognised in other comprehensive income (OCI) for current period

(₹ in million)

Particulars	31 March 2022	31 March 2021
Actuarial (gain)/loss on obligation for the year		
- changes in demographic assumption	1.03	0.40
- changes in financial assumption	6.77	(3.86)
- experience variance	3.55	8.01
- Return on plan assets excluding amounts recognised in net interest expense	(0.96)	-
Net expense for the period recognised in OCI	**10.39**	**4.55**

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Amounts for the current and previous periods are as follows:

(₹ in million)

Particulars	31 March 2022	31 March 2021
Defined benefit obligation	98.16	100.37
Surplus/(deficit)	(98.16)	(100.37)
Experience adjustments on plan liabilities	3.55	8.01
Experience adjustments on plan assets	-	-

The principal assumptions used in determining defined benefit obligation are shown below:

(₹ in million)

Particulars	31 March 2022	31 March 2021
Discount rate	6.10%	5.65%
Expected rate of return on plan asset	NA	NA
Employee turnover	15.00%-22.62%	16.56%-24.85%
Expected rate of salary increase	9%	7%
Actual rate of return on plan assets	NA	NA

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

(₹ in million)

Particulars	31 March 2022	31 March 2021
Projected benefit obligation on current assumptions	98.16	100.37
Delta effect of +1% change in rate of discounting	9.89	(4.16)
Delta effect of -1% change in rate of discounting	21.08	4.54
Delta effect of +1% change in rate of salary increase	20.44	4.24
Delta effect of -1% change in rate of salary increase	10.28	(3.98)
Delta effect of +1% change in rate of employee turnover	11.32	0.81
Delta effect of -1% change in rate of employee turnover	23.94	3.29

Maturity analysis of projected benefit obligation: From the employer (undiscounted basis)

(₹ in million)

Particulars	31 March 2022	31 March 2021
Projected benefits payable in future years from the date of reporting		
Within next 1 year	24.12	23.71
Between 2 to 5 years	60.31	57.15
Between 6 to 10 years	42.72	32.41
Beyond 10 years	33.70	19.29

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NOTE 35: LEASE LIABILITY

The Company has long term lease contacts for office premises and various vehicles. Information about leases for which the Company is lessee is presented below.

Lease liabilities

Maturity Analysis-Contractual undiscounted cash flow	Amount (₹ in million)
Less than one year	86.33
One to two years	91.69
Two to five years	352.58
More than five years	-
Total undiscounted lease liabilities at March 31, 2022	**530.61**

Set out below, are the carrying amount of the Company's liabilities and the movement during the year.

Particulars	Amount (₹ in million)
Opening lease liabilities as at 1 April 2021	28.39
Add: Additions/(deductions)	559.73
Add: Interest expense	16.85
Less: Adjustment	6.54
Less: Payments	67.82
As at 31 March 2022	**530.60**
Current	86.33
Non-current	444.27

NOTE 36: CAPITAL AND OTHER COMMITMENTS

(a) Commitment related to further investment in subsidiaries is ₹ 4,268.06 million (31 March 2021: ₹ 10,661.21 million)

(b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) are ₹ 26.55 million (31 March 2021: ₹ 71.94 million).

(c) The Company had entered into a Share Purchase agreement with Vinci Energeia Fundo De Investimento EM Participacoes Infraestrutura and Cymi Construcoes Participacoes S.A. for selling its stake in Vineyards Participacoes S.A. at values as agreed in the Share Purchase agreement subject the requisite approvals.

NOTE 37: CONTINGENT LIABILITIES

(₹ in million)

		31 March 2022	31 March 2021
1	Disputed liabilities in appeal:		
	a) Excise duty	73.56	76.40
	b) Value Added Tax (VAT) and Central sales tax (refer note i below)	38.98	294.06
2	Performance guarantee to insurer on behalf of subsidiaries	2,265.27	2,611.32
3	**Bank guarantees given:**		
	- To long term transmission customers on behalf of its subsidiary/ Joint ventures companies.	3,261.25	3,543.93
	- For bidding of projects on behalf of its subsidiaries	300.00	205.00
	- On behalf of India Grid Trust ('IGT')	25.00	25.00
	- To India Grid Trust ('IGT') for various claim with respect to sale of investments (refer note ii and iii below)	1,336.00	1,000.00
	- For advance received from customers	800.00	-
4	**Corporate guarantees given:**		
	- To India Grid Trust ('IGT') for clearance of items mentioned in the share purchase agreement with respect to sale of ENICL	350.00	350.00
	- To India Grid Trust ('IGT') for various claim with respect to sale of investments	-	500.00
	- Given on behalf of its related party revenue contract executed	188.60	188.60
	- On behalf of its subsidiary for issuance of non-convertible debentures during the year	-	2,000.00

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Further, pursuant to share purchase agreement with India Grid Trust, the Company is to indemnify India Grid Trust for entry tax demand of ₹ 252.78 million (31 March 2021 ₹ 252.31 million) sales tax demands of ₹ 9.34 million (31 March 2021: ₹ 43.88 million) and income tax act ₹ 27.92 million (31 March 2021: 27.90 million) in relation to the Companies sold to India Grid Trust.

(i) The above Value Added Tax, Central Sales Tax and Entry Tax demand (along with the applicable interest, wherever levied) pertains to the following matters.

(a) Central Sales Tax demand of ₹ 16.80 million (31 March 2021 of ₹ 16.80 million) raised under the Delhi VAT Act, 2004 on account of non-submission of the declaration forms C pending to be received from the customers for the Assessment Year 2014-15.

(b) Value Added Tax, Central Sales Tax and Entry Tax demand of ₹14.31 million (31 March 2021 of ₹ 14.31 million) raised under the Madhya Pradesh VAT Act, 2002 on account of non-submission of the declaration forms EI/EII and Form 3 pending to be received / submitted for the Assessment Year 2015-16. The Company has deposited an amount of ₹ 4.77 million (31 March 2021: 4.77 million) while preferring the appeal in this matter.

(c) Central Sales Tax demand of ₹ 5.53 million (31 March 2021 ₹ 5.53 million) raised under the West Bengal VAT Act, 2003 on account of non-submission of the declaration forms C pending to be received / submitted for the Assessment Year 2014-15 and the Company has deposited an amount of ₹ 0.56 million (31 March 2021: ₹ 0.56 million) while preferring the appeal in this matter.

(d) VAT and CST demand of ₹ Nil (31 March 2021: ₹ 30.95 million) pertains to Telangana VAT Act, 2003 on account on non discharge of VAT liability by sub- contractor for the period December 2015 to June 2017. The Company has deposited an amount of ₹ 3.44 million (31 March 2021: ₹ Nil million) while preferring the appeal in this matter.

(e) Central Sales Tax demand of ₹ 1.46 million (31 March 2021: 185.93 million) pertains to the demand raised under the Jharkhand VAT Act, 2005 on account of non-submission of the C form and EII forms pending to be received from the suppliers for the Assessment Year 2015-16, Assessment year 2016-17 and Assessment year 2017-18.

(f) Central Sales Tax demand of ₹ 0.88 million (31 March 2021: ₹ 0.88 million) pertains to the demand raised under the Odisha VAT Act, 2004 on account of non-submission of the E1 declaration forms pending to be received from the suppliers for the Assessment Year 2016-17 and 2017-18. The Company has deposited an amount of ₹ 0.10 million (31 March 2021: ₹ 0.10 million) while preferring the appeal in this matter.

g) Value Added Tax demand of ₹ Nil (31 March 2021: ₹12.78 million) raised under the Uttarakhand Vat Act,2005 on account of non-submission of the C Form pending to be received / submitted for the Assessment Year 2012-13, 2014-15 and 2015-16.

h) Value Added Tax demand of ₹ Nil (31 March 2021: ₹ 12.64 million) raised under the Orissa Value Added Tax Act, 2004 on account of non-submission of the C Form pending to be received / submitted for the Assessment Year October-15 - March-16, April-16 - June-16 and April-14 - September-15.

i) Value Added Tax demand Nil (31 March 2021: ₹14.36 million) raised under the Dadra & Nagar Haveli Value Added Tax Act, 2005 on account of non-submission of the C Form pending to be received / submitted for the Assessment Year 2012-13, 2013-14, 2014-15, 2015-16 and July-16 - March-17.

The Company is contesting the demand by way of preferring appeals to the higher tax authorities and the management, including its tax advisors, believe that it's position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for the tax demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of the operations.

(ii) During the earlier years, one of the vendor involved in construction of power transmission infrastructure has filed arbitration proceedings against East-North Interconnection Company Limited ('ENICL') in relation to turnkey construction contract executed by in earlier years which is pending before Arbitral Tribunal. The management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the standalone financial statements.

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(iii) During the year, one of the MSME vendor has filed arbitration proceedings against the Company which is pending before Delhi International Arbitration Centre ("DIAC"). The Company had filed a writ petition to Hon. Delhi High Court basis which the High Court has ordered DIAC for stay of proceedings. The management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the standalone financial statements.

NOTE 38: HEDGING ACTIVITIES AND DERIVATIVES

Cash flow hedges

Foreign exchange forward contracts

Foreign exchange forward contracts measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments, majorly for sales and purchases in USD and EUR. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates. The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

Commodity future contracts

Commodity future contracts entered on London Metal Exchange (LME) measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments for purchases of aluminium and copper. The futures contract balances vary with the level of expected quantity of purchases of aluminium and copper. The terms of the future contracts match the terms of the expected highly probable forecast transactions/firm commitments. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

The cash flow hedges during the year ended 31 March 2022 were assessed to be highly effective, and a net unrealised gain of ₹ 1,603.10 million (net of deferred tax of ₹ 538.28 million), (31 March 2021 ₹ 769.94 million) (net of deferred tax of ₹ 238.35 million) is included in other comprehensive income. The amounts retained in other comprehensive income at 31 March 2022 are expected to mature and affect the statement of profit and loss during the year ended 31 March 2023.

NOTE 39: DERIVATIVE INSTRUMENTS

(a) The following are the outstanding forward exchange contracts entered into by the Company, for hedge purpose, as on 31 March 2022

	Foreign currency (In million)	Amount (₹ in million)	Buy/Sell	No. of contracts (Quantity)
31 March 2022				
Hedge of payables, suppliers credit and highly probable purchases	USD 101.33	7,681.30	Buy	141
Hedge of trade receivables, margin money deposits and highly probable sale	USD 114.05	8,645.76	Sell	60
Hedge of payables and highly probable purchases	EUR 1.05	88.72	Buy	3
Hedge of trade receivables and highly probable sale	EUR 6.68	565.94	Sell	10
31 March 2021				
Hedge of payables, suppliers credit and highly probable purchases	USD 95.03	6,985.05	Buy	101
Hedge of trade receivables, margin money deposits and highly probable sale	USD 60.44	4,442.84	Sell	66
Hedge of payables and highly probable purchases	-	-	Buy	-
Hedge of trade receivables and highly probable sale	EUR 15.94	1,372.60	Sell	20

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(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Amounts payable in foreign currency on account of the following:

	Currency type	Foreign currency (In million)	Amount (₹ in million)
31 March 2022			
Import of goods and services	EUR	0.00	0.13
Import of goods and services	USD	0.13	9.62
31 March 2021			
Import of goods and services	EUR	0.07	5.82
Import of goods and services	USD	0.85	62.56

(c) Commodity future contracts to hedge against fluctuation in commodity prices:

The following are the outstanding future contracts entered into by the Company as on 31 March 2022:

	Foreign currency (In million)	No. of contracts	Contracted quantity MT	Buy/Sell
31 March 2022	Aluminium	127	34,622	Buy
31 March 2022	Aluminium	19	9,345	Sell
31 March 2022	Copper	6	153	Buy
31 March 2022	Copper	4	149	Sell
31 March 2021	Aluminium	143	60,705	Buy
31 March 2021	Aluminium	31	10,359	Sell
31 March 2021	Copper	4	323	Buy
31 March 2021	Copper	1	275	Sell
31 March 2021	Midwest premium on aluminium	4	100	Buy
31 March 2021	Midwest premium on aluminium	4	100	Sell

NOTE 40: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

(₹ in million)

Description		31 March 2022	31 March 2021
(i)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
	Principal amount due to micro and small enterprises	490.95	522.16
	Interest due on above	5.34	26.38
(ii)	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii)	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 Micro Small and Medium Enterprises Development Act, 2006.	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	6.05	26.38
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	-	-

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent of ₹ 6.05 million (31 March 2021: 26.38 Million) is accrued in the books of accounts.

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the suppliers/information available with the Company regarding their status under MSMED Act, 2006.

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NOTE 41: FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ in million)

Particulars	Carrying Value		Fair Value	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Financial assets				
Investment in subsidiaries	3,768.20	14,477.05	3,768.20	14,477.05
Investment in joint venture	1,417.47	43.27	1,417.47	43.27
Investment in units	-	286.15	-	286.15
Investment others	112.45	112.45	112.45	112.45
Investment in mutual funds	-	9.07	-	9.07
Derivative instruments	522.69	1,173.86	522.69	1,173.86
Total	**5,820.82**	**16,101.85**	**5,820.82**	**16,101.85**
Financial liabilities				
Derivative instruments	7.46	115.63	7.46	115.63
Total	**7.46**	**115.63**	**7.46**	**115.63**

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, other current assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has further assessed that borrowings availed and loans given approximate their carrying amounts largely due to the interest rates being variable or in case of fixed rate borrowings/loans, movements in interest rates from the recognition of such financial instrument till period end not being material.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted mutual funds are based on price quotations at the reporting date.
- The fair values of the unquoted equity instruments and compulsorily convertible debentures have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments and compulsorily convertible debentures.
- The Company enters into derivative financial instruments with financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporates various inputs including the credit quality counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spread between the respective currencies, interest rate curves etc. The fair values of commodity futures contracts are based on price quotations on LME at the reporting date. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown below:

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Description of significant unobservable inputs to valuation:

A FVTOCI assets - unquoted equity shares in subsidiaries and joint ventures and compulsorily convertible debentures of joint ventures

The fair value of the investments in equity instruments of subsidiaries and joint ventures and and compulsorily convertible debentures of joint ventures have been determined based on the fair values of the various Indian and Brazilian transmission projects owned by the Company. Such fair values have been computed based on discounted cash flow (DCF) method during the year ended 31 March 2022 and 31 March 2021.

The Company has entered into a Framework agreement with India Grid Trust for selling its entire stake in Khargone Transmission Limited at an agreed enterprise values subject to adjustments referred in the Framework agreement. The management has fair valued the equity investment in KTL as per the value mentioned in the Framework agreement hence no fair value sensitivity has been disclosed.

(a) Investment in Indian transmission projects in equity shares and compulsorily convertible debentures of joint ventures

(₹ in million)

Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in Fair Value (of equity shares	
			31 March 2022	31 March 2021
i) Cost of equity	(i) New/under construction project - 31 March 2022 -13.50%- 15.00% 31 March 2021 - 14.75%	0.5% increase 0.5% decrease	(390.27) 422.89	(302.38) 327.27
ii) Cost of debt	31 March 2022 - 8.00% 31 March 2021 - 8.25%	0.5% increase 0.5% decrease	(2,287.14) 2,277.07	(1,300.15) 1,292.11
iii) Incremental tariff expected to be approved by CERC in respect of cost overruns due to force majeure/change in law (as % of non-escalable tariff)	Incremental tariff has been considered in the fair valuation of Khargone Transmission Limited for the year ended 31 March 2022 and 31 March 2021	Increase by 5% (of non-escalable tariff) Decrease by 5% (of non- escalable tariff)	32.89 (32.89)	47.19 (47.19)
iv) Project cost (for under construction assets)		5% increase 5% decrease	(3,875.64) 1,897.67	(2,258.71) 61.52

Note:

(₹ in million)

Significant unobservable inputs	Project cost	
	31 March 2022	31 March 2021
Goa-Tamnar Transmission Project Company Limited	13,442.00	13,500.00
Lakadia Vadodara Transmission Project Limited	20,291.00	20,083.00
Mumbai Urja Marg Limited	27,800.00	27,370.00
Nangalbibra-Bongaigaon Transmission Limited	5,560.00	-
Udupi Kasargode Transmission Limited	7,780.00	-

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(b) Investment in Brazilian transmission projects:

(₹ in million)

Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in Fair Value (of equity shares)	
			31 March 2022	31 March 2021
i) Cost of equity	(i) Operational Projects/projects nearing completion -	0.5% increase	(353.99)	(169.21)
	31 March 2022 - NA			
	31 March 2021 - NA			
	(ii) New/under construction project -	0.5% decrease	326.50	185.43
	31 March 2022 - 14.75%			
	31 March 2021 - 13.75%			
ii) Cost of debt	31 March 2022- 4.5% to 7.0%	0.5% increase	(647.80)	(290.44)
	31 March 2021 -4.5% to 5.5%	0.5% decrease	573.07	285.32
iii) Inflation	31 March 2022 - 1.70%	0.5% increase	133.68	45.91
	31 March 2021 - 1.70%	0.5% decrease	(141.64)	(43.57)
iv) Project cost (for under construction assets)		0.5% increase	(1,902.05)	(1,490.46)
		0.5% decrease	1,839.19	1,490.46

B. FVTOCI assets - Unquoted equity shares in Sharper Shape Group Inc.

Valuation technique: Discounted cash flow (DCF) method

(₹ in million)

Sr. No.	Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value	
				31 March 2022	31 March 2021
(i)	Long-term growth rate for cash flows for subsequent years	31 March 2022: 3%	2% increase	10.99	11.36
		31 March 2021: 3%	2% decrease	(9.08)	(9.33)
(ii)	WACC (pre-tax)	31 March 2022: 24.00%	1% increase	(9.17)	(11.02)
		31 March 2021: 23.40%	1% decrease	10.21	12.36
(iii)	Discount for lack of marketability	31 March 2022: 10%	5% increase	(6.27)	(6.99)
		31 March 2021: 10%	5% decrease	6.27	6.99

NOTE 42: FAIR VALUES HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2022 and 31 March 2021

(₹ in million)

		Fair value measurement using		
	Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/(liabilities) measured at fair value through profit and loss				
Mutual fund investments				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	9.07	9.07	-	-
Investment in units				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	286.15	286.15	-	-
Assets/(liabilities) measured at fair value through other comprehensive income				
Investment in equity instruments				
As at 31 March 2022	5,249.50	-	-	5,249.50

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(₹ in million)

	Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 31 March 2021	14,632.77	-	-	14,632.77
Investment in compulsorily convertible debentures				
As at 31 March 2022	48.63	-	-	48.63
As at 31 March 2021	-	-	-	-
Derivative asset/ (liabilities) (net)				
As at 31 March 2022	515.23	-	515.23	-
As at 31 March 2021	1,058.23	-	1,058.23	-

There have been no transfers among Level 1, Level 2 and Level 3.

NOTE 43: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, trade and other receivables, cash and short-term deposits and other financial assets that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Company reviews and agrees policies for managing each of these risks, which are summarised below:

The Risk Management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Management has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit Risk, Liquidity Risk and Market risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2022.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analysis:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2022 and 31 March 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or the 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 rate primarily relates to the Company's long term debt obligations with floating interest rates.

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(All amounts in ₹ million unless otherwise stated)

The Company is exposed to the interest rate fluctuation in domestic borrowing. The Company has all its borrowing on floating rate of interest.

Interest rate sensitivity

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

(₹ in million)

Particulars	Increase/ Decrease in Basis Points	Effect on profit before tax / pre-tax equity
31 March 2022		
Base Rate	+50	0.98
Base Rate	-50	(0.98)
31 March 2021		
Base Rate	+50	24.73
Base Rate	-50	(24.73)

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 operating activities (when revenue or expense is denominated in a foreign currency).

The Company has a policy to keep minimum forex exposure on the books that are likely to occur within a maximum 12-month period for hedges of forecasted sales and purchases.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Out of total foreign currency exposure, the Company has hedged the exposure of 99.99% as at 31 March 2022 and 94.36% as at 31 March 2021.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, and EUR 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 impact on the Company’s pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Company’s exposure to foreign currency changes for all other currencies is not material. With all the other variable held constant, the Company's profit before tax is affected through the impact on change of foreign currency rate as follows-

(₹ in million)

	Change in USD rate	Effect on profit before tax / pre-tax equity	Change in Euro rate	Effect on profit before tax / pre-tax equity
31 March 2022	+5%	(0.48) / (0.36)	+5%	(0.01) / (0.01)
	-5%	0.48 / 0.36	-5%	0.01 / 0.01
31 March 2021	+5%	(11.16) / (8.35)	+5%	(0.29) / (0.22)
	-5%	11.16 / 8.35	-5%	0.29 / 0.22

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Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of aluminium and copper for manufacture of conductor and OPGW, power cables and therefore require a continuous supply of aluminium and copper. Due to the volatility of the price of aluminium and copper, the Company enters into various purchase contracts for aluminium and copper on London Metal Exchange. The prices in these purchase contracts are linked to the price on London Metal Exchange.

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Based on a 1 month forecast of the required copper, and aluminium supply, the Company hedges the purchase price using future commodity purchase contracts. The forecast is deemed to be highly probable.

Commodity price sensitivity

As per the Company's policy for commodity price hedging, all the commodity price exposures as on reporting dates are fully hedged. Thus, there are no open unhedged exposures on the reporting dates.

Equity price risk

"The Company's listed units and listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed units and listed and unlisted equity securities at fair value was ₹ 5,249.50 million (31 March 2021: ₹14,927.99 million). Sensitivity analysis of these investments have been provided in note 41.

(₹ in million)

Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in Fair Value	
			31 March 2022	31 March 2021
Net assets at fair value of India Grid Trust	Nil (31 March 2021: ₹ 140.24 per unit)	0.50%	NA	1.43
		-0.50%	NA	(1.43)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis for major customers.
In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financials guarantee given by the Company on behalf of subsidiaries. The Company's maximum exposure in this regard is the maximum amount Company could have to pay if the guarantee is called on as at 31 March 2022

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₹ 6,260.85 million (31 March 2021: ₹ 24,863.78 million). These financial guarantees have been issued to bank and long term transmission customer on behalf of its subsidiaries. Based on the expectations at the end of reporting period, the Company considers likelihood of any claim under guarantee is remote.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in Note 38 and the liquidity table below:

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 60 - 180 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

₹ in million

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 year to 5 years	> 5 years	Total
As at 31 March 2022						
Borrowings	1,851.83	450.47	375.17	187.61	-	2,865.08
Lease liabilities	-	35.20	51.13	444.27	-	530.61
Other financial liabilities	-	268.98	168.07	149.21	-	586.26
Trade payables	-	12,997.57	-	-	-	12,997.57
Payables for purchase of property, plant and equipment	-	65.13	-	-	-	65.13
Derivatives	-	7.46	-	-	-	7.46
Financial / Performance guarantee contracts*	6,260.85	-	-	-	-	6,260.85
Total	**8,112.68**	**13,824.80**	**594.38**	**781.09**	**-**	**23,312.95**
As at 31 March 2021						
Borrowings	3,477.67	2,829.45	150.00	385.00	-	6,842.12
Lease liabilities	-	12.02	9.83	6.54	-	28.39
Other financial liabilities	-	493.40	701.68	619.97	-	1,815.05
Trade payables	-	14,021.01	-	-	-	14,021.01
Payables for purchase of property, plant and equipment	-	4.74	-	-	-	4.74
Derivatives	-	115.63	-	-	-	115.63
Financial / Performance guarantee contracts**	10,423.84	-	-	-	-	10,423.84
Total	**13,901.51**	**17,476.25**	**861.52**	**1,011.51**	**-**	**33,250.78**

** Based on the maximum amount that can be called for under the financial guarantee contract. Financial guarantee contract pertains to guarantees given to term loan lender, long term transmission customer on behalf of subsidiaries etc. These will be invoked in case of default by subsidiaries. (refer Note 37)*

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NOTE 44: CAPITAL MANAGEMENT

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

The Company manages its capital structure and makes adjustments to it 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 net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing loans and borrowings, trade payables and other payables, other financial liabilities and advances received from customers less cash and short-term deposits and current investments, excluding discontinued operations, if any.

(₹ in million)

Particulars	31 March 2022	31 March 2021
Interest bearing loans and borrowings	2,865.08	7,533.29
Trade payables	14,021.01	13,621.59
Other financial liabilities	658.85	537.04
Advances received from customers	5,866.89	6,443.57
Less: Cash and short-term deposits and current investments	(2,325.18)	(3,617.22)
Net debt	**21,086.65**	**24,518.26**
Equity share capital	122.36	122.36
Other equity	19,507.73	13,680.33
Total capital	**19,630.09**	**13,802.69**
Capital and net debt	**40,716.74**	**38,320.95**
Gearing ratio	**51.79%**	**63.98%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period except Note 16A & 16B.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

NOTE 45: RELATED PARTY DISCLOSURES

Related party disclosures as required by Ind AS 24, Related Party Disclosures issued by the ICAI and notified under Rules are given below:-

(A) Name of related party and nature of its relationship:

(a) Related parties where control exists

(i) Holding company

Twin Star Overseas Limited, Mauritius (immediate holding company)
Volcan Investments Limited, Bahamas (ultimate holding company)

(ii) Subsidiaries

Sterlite Grid 4 Limited (till 15 March 2022 (merged thereafter (refer note 49))
Sterlite Grid 5 Limited
Sterlite Grid 6 Limited
Sterlite Grid 7 Limited
Sterlite Grid 8 Limited
Sterlite Grid 9 Limited
Sterlite Grid 10 Limited
Sterlite Grid 11 Limited
Sterlite Grid 12 Limited
Sterlite Grid 13 Limited (till 30 March 2021)
Sterlite Grid 14 Limited (till 05 April 2021)

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Sterlite Grid 15 Limited
Sterlite Grid 16 Limited
Sterlite Grid 17 Limited
Sterlite Grid 18 Limited (till 05 April 2021)
Sterlite Grid 19 Limited
Sterlite Grid 20 Limited
Sterlite Grid 21 Limited
Sterlite Grid 22 Limited
Sterlite Grid 23 Limited
Sterlite Grid 24 Limited
Sterlite Grid 25 Limited
Sterlite Grid 26 Limited
Sterlite Grid 27 Limited
Sterlite Grid 28 Limited
Sterlite Grid 29 Limited (till 05 April 2021)
Sterlite Grid 30 Limited (formerly known as NRSS XXIX (JS) Transmission Limited)
Sterlite EdIndia Foundation
Gurgaon-Palwal Transmission Limited (till 28 August 2020)
Khargone Transmission Limited
NER-II Transmission Limited (till 24 March 2021)
Sterlite Convergence Limited
Goa-Tamnar Transmission Limited (till 05 April 2021)
Udupi Kasargode Transmission Limited (till 05 April 2021)
Mumbai Urja Marg Limited (Erstwhile Vapi II-North Lakhimpur Transmission Limited) (till 30 March, 2021)
Lakhadia Vadodra Transmission Project Limited (till 05 April 2021)
Nangalbibra-Bongaigaon Transmission Limited (from 16 December 2021)
OneGrid Limited (from 25 September 2020)
Se Vineyards Power Transmission S.A., Brazil
Sterlite Brazil Participicoes, S.A., Brazil
Dunas Transmissão de Energia S.A (till 02 June 2021)
Borborema Transmissão de Energia S.A.
São Francisco Transmissão de Energia S.A.
GBS Participicoes S.A. Brazil (From 16 April 2021)
Goyas Transmissão de Energia S.A.
Marituba Transmissão de Energia S.A.
Solaris Transmissão de Energia S.A.
Maharashtra Transmission Communication Infrastructure Limited (from 31 March 2022)
Vineyards Participicoes S.A.

(iii) **Associate**
Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited (till 14 January 2022)
Sterlite Interlinks Limited
NER-II Transmission Limited (from 25 March 2021 to 29 June 2021)

(iv) **Joint Ventures**
Sterlite Grid 13 Limited (from 31 March 2021)
Sterlite Grid 14 Limited (From 06 April 2021)
Sterlite Grid 28 Limited (From 06 April 2021)
Sterlite Grid 29 Limited (From 06 April 2021)

(v) **Subsidiaries of joint ventures**
Mumbai Urja Marg Limited (Erstwhile Vapi II-North Lakhimpur Transmission Limited) (from 31 March, 2021)
Goa-Tamnar Transmission Limited (from 06 April 2021)
Udupi Kasargode Transmission Limited (from 06 April 2021)
Lakhadia Vadodra Transmission Project Limited (from 06 April 2021)

Notes to Financial Statements

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(b) Other related parties under IND AS-24 "Related party disclosures" with whom transactions have taken place during the year

(i) Key Management Personnel (KMP)
Mr. Pravin Agarwal (Chairman)
Mr. Pratik Agarwal (Managing Director)
Mr. Anuraag Srivastava (Chief Financial Officer) (till 30 September 2021)
Mr. Sanjeev Bhatia (Chief Financial Officer) (from 01 October 2021)
Mr. Manish Agrawal (Whole time Director) (from 17 December 2021)

(ii) Fellow subsidiaries
Vedanta Limited
Fujairah Gold FZE
Bharat Aluminium Company Limited
Hindustan Zinc Limited
Sterlite Technologies Limited
Sterlite Power Technologies Private Limited
Maharashtra Transmission Communication Infrastructure Limited (till 30 March 2022)
ESL Steels Limited (formlery know as Electrosteel Steels Limited)

(c) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

(i) Key Management Personnel (KMP)
Mr. Ashok Ganesan (Company Secretary)
Mr. Arun Todarwal (Director) (till 24 July 2021)
Mr. Anoop Sheth (Director) (from 31 July 2020)
Ms. Zhao Haixia (Director) (till 31 March 2022)
Mr. A.R. Narayanswamy (Director)

(ii) Entities in which directors are interested
PTC Cables Private Limited (till 24 July 2021)
Talwndi Sabo Power Limited
Universal Floritech LLP

(iiii) Relative of key management personnel (KMP)
Mr. Navin Agarwal
Mrs. Suman Didwania

(B) The transactions with related parties during the year and their outstanding balances are as follows:

(₹ in million)

S. No.	Particulars	Holding Company, Subsidiaries & Fellow subsidiary		Associate, Joint Ventures and its subsidiaries		KMP, Relatives of KMP and Director interested parties	
	Transactions	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	Subscription/acquisition of equity shares including pending allotment	-	0.30	1,007.90	-	-	-
2	Loans and advances given by the Company	1,217.28	5,839.32	-	70.12	-	-
3	Investment in Non-convertible debentures (NCDs)	-	-	3,576.80	-	-	-
4	Investment in Compulsory-convertible debentures (CCDs)	-	-	99.13	-	-	-
5	Repayment of loans and advances given by the Company	1,749.48	15,047.16	27.00	-	-	-
6	Loan received by the Company	-	678.33	-	-	-	-
7	Loan repaid by the Company	-	-	-	6,200.00	-	-
8	Conversion of Loan into non- convertible debentures (NCDs)	-	4,679.07	-	-	-	-
9	Conversion of Loan, CCD's and CCPS into equity shares	-	2.50	-	-	-	-
10	Revenue from EPC contract with customer	429.94	12,451.01	19,945.09	-	-	-

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(₹ in million)

S. No.	Particulars	Holding Company, Subsidiaries & Fellow subsidiary		Associate, Joint Ventures and its subsidiaries		KMP, Relatives of KMP and Director interested parties	
	Transactions	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
11	Sale of goods (net of goods and service tax)	42.23	8.39	-	-	-	-
12	Miscellaneous income	-	-	3.71	-	-	-
13	Management fees income (excluding GST)	53.18	21.31	0.73	5.40	-	-
14	Dividend income	-	1,226.51	-	-	-	-
15	Performance bank guarantee charge recovered from subsidiary	21.93	104.21	-	-	-	-
16	Interest income accrued or interest received	7.81	19.23	562.96	-	-	-
17	Purchase of goods and services (net of taxes)	13,354.00	5,949.07	-	-	-	-
18	Interest cost	125.32	136.90	-	354.33	44.90	130.18
19	Purchase of power	31.33	26.12	-	-	-	-
20	Remuneration (refer note 2 below)	-	-	-	-	149.96	89.06
21	Director sitting fees	-	-	-	-	10.63	14.65
22	Commission paid to directors	-	-	-	-	3.54	6.49
23	CSR expenditure	29.00	19.20	-	-	-	-
24	Availing services	1.00	-	-	-	-	1.30
25	Advance received against contracts (excluding tax)	843.49	5,168.76	405.92	-	-	-
26	Contract asset billed during the year	-	192.70	-	-	-	-
27	Reimbursement of expense paid to related parties	15.50	0.57	-	-	-	-
28	Reimbursement of expense paid on behalf of related parties	46.80	2.73	52.99	-	-	-
29	Bank guarantee given	-	582.90	800.00	-	-	-
30	Dividend paid	236.50	-	-	-	8.00	-
S. No.	Outstanding Balances	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
1	Management fees receivable (net of TDS)	-	-	-	-	-	-
2	Loans and advances receivable	6,030.52	2,147.00	-	-	-	-
3	Short term borrowings	-	678.33	-	-	-	1,722.96
4	Investment in non-convertible debentures (NCD)*(net of impairment)	-	3,290.93	5,813.19	-	-	-
5	Investment in compulsorily convertible debentures (CCD)*(net of impairment)	-	-	48.63	-	-	-
6	Trade receivables^	196.61	3,701.37	6,610.14	5.16	-	-
7	Trade payables	3,423.26	2,184.24	-	-	-	-
8	Amount payable against supplies, services and reimbursement of expenses (net of advance)	-	22.73	-	-	-	-
9	Amount receivable against supplies, services and reimbursement of expenses (net of payable)	83.88	37.83	52.99	-	-	-
10	Advances recoverable in cash from related party	-	-	28.40	69.05	-	-

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(₹ in million)

S. No.	Particulars	Holding Company, Subsidiaries & Fellow subsidiary		Associate, Joint Ventures and its subsidiaries		KMP, Relatives of KMP and Director interested parties	
	Transactions	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
11	Advance from customers[$]	843.49	9,067.58	4,761.59	-	-	-
12	Reimbursement of expenses payable	-	22.73	-	-	-	-
13	Corporate guarantee given outstanding at year end	188.60	2,188.60	-	-	-	-
14	Bank/performance guarantee given outstanding at year end[#]	4,580.62	6,360.24	2,045.90	-	-	-

** includes asset held for sale and its also includes Nil(31 March 2021: ₹ 1,007.88 million) pertaining to joint venture*

^ includes Nil(31 March 2021: ₹ 7.10 million) pertaining to joint venture

$ includes Nil(31 March 2021: ₹ 4,463.02 million) pertaining to joint venture

 # includes Nil(31 March 2021: ₹ 376.40) million pertaining to joint venture

(C) The major transactions with related parties during the year and their outstanding balances are as follows:

(₹ in million)

	Particulars	Relationship	31 March 2022	31 March 2021
1	**Subscription/acquisition of equity shares including pending allotment**			
	Sterlite Grid 13 Limited	Joint Venture	-	0.10
	Sterlite Grid 14 Limited	Joint Venture	0.10	-
	Sterlite Grid 18 Limited	Joint Venture	618.11	0.10
	Sterlite Grid 29 Limited	Joint Venture	389.69	-
	One Grid Limited	Subsidiary	-	0.10
2	**Loans and advances given by the Company**			
	Khargone Transmission Limited	Subsidiary	-	-
	Sterlite Convergence Limited	Subsidiary	41.70	6.00
	Sterlite Grid 4 Limited	Subsidiary	-	2,630.61
	Sterlite Grid 5 Limited	Subsidiary	602.51	105.97
	Sterlite Grid 6 Limited	Subsidiary	1.39	0.11
	Sterlite Grid 7 Limited	Subsidiary	0.83	0.13
	Sterlite Grid 8 Limited	Subsidiary	0.80	0.16
	Sterlite Grid 9 Limited	Subsidiary	0.81	0.16
	Sterlite Grid 10 Limited	Subsidiary	0.79	0.12
	Sterlite Grid 11 Limited	Subsidiary	0.80	0.12
	Sterlite Grid 12 Limited	Subsidiary	1.41	0.84
	Sterlite Grid 13 Limited	Joint Venture	-	2,018.20
	Sterlite Grid 14 Limited	Joint Venture	-	510.04
	Sterlite Grid 15 Limited	Subsidiary	1.37	0.13
	Sterlite Grid 16 Limited	Subsidiary	-	0.05
	Sterlite Grid 17 Limited	Subsidiary	0.04	0.01
	Sterlite Grid 18 Limited	Joint Venture	-	564.76
	Sterlite Grid 19 Limited	Subsidiary	0.65	0.01
	Sterlite Grid 20 Limited	Subsidiary	0.65	0.12
	Sterlite Grid 21 Limited	Subsidiary	0.65	0.01
	Sterlite Grid 22 Limited	Subsidiary	0.63	0.01
	Sterlite Grid 23 Limited	Subsidiary	0.32	-
	Sterlite Grid 24 Limited	Subsidiary	0.00	0.59
	Sterlite Grid 26 Limited	Subsidiary	525.63	0.59
	Sterlite Grid 27 Limited	Subsidiary	0.61	-

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(₹ in million)

	Particulars	Relationship	31 March 2022	31 March 2021
	Sterlite Grid 28 Limited	Subsidiary	0.61	0.59
	Sterlite Grid 30 Limited	Subsidiary	0.07	-
	Sterlite Interlinks Limited	Associate	-	70.12
	Sterlite Power Technologies Private Limited	Fellow Subsidiary	35.00	-
3	**Investment in Non-convertible debentures (NCDs)**			
	Sterlite Grid 13 Limited	Joint Venture	507.87	-
	Sterlite Grid 14 Limited	Joint Venture	228.72	-
	Sterlite Grid 18 Limited	Joint Venture	964.36	-
	Sterlite Grid 29 Limited	Joint Venture	1,875.86	-
4	**Investment in Compulsory-convertible debentures (CCDs)**			
	Sterlite Grid 18 Limited	Joint Venture	50.50	-
	Sterlite Grid 29 Limited	Joint Venture	48.63	-
5	**Repayment of loans and advances given by the Company**			
	Sterlite Grid 10 Limited	Subsidiary	-	0.25
	Sterlite Grid 4 Limited	Subsidiary	-	14,811.62
	Sterlite Grid 5 Limited	Subsidiary	1,157.64	234.19
	Sterlite Grid 14 Limited	Joint Venture	27.00	-
	Sterlite Power Technologies Private Limited	Fellow Subsidiary	208.94	-
	Sterlite Technologies Limited	Fellow Subsidiary	101.50	-
	Khargone Transmission Limited	Subsidiary	281.40	-
6	**Loan received by the Company**			
	Sterlite Grid 4 Limited	Subsidiary	-	678.33
7	**Loan repaid by the Company**			
	Sterlite Interlinks Limited	Associate	-	6,200.00
8	**Conversion of loan into Non- convertible debentures (NCD)**			
	Sterlite Grid 13 Limited	Joint Venture	-	2,015.76
	Sterlite Grid 14 Limited	Joint Venture	-	571.06
	Sterlite Grid 18 Limited	Joint Venture	-	2,092.25
9	**Conversion of loan, CCD's and CCPS into equity shares**			
	Sterlite Grid 13 Limited	Joint Venture	-	2.50
10	**Revenue from EPC contract with Customer#**			
	Udupi Kasargode Transmission Limited	Subsidiary of Joint Venture	2,394.31	141.00
	Khargone Transmission Limited	Subsidiary	375.88	17.67
	NER-II Transmission Limited	Subsidiary of Joint Venture	-	6,600.29
	Mumbai Urja Marg Limited	Subsidiary of Joint Venture	6,359.68	5.64
	Sterlite Grid 5 Limited	Subsidiary	-	43.51
	Goa-Tammar Transmission Project Limited	Subsidiary of Joint Venture	2,004.29	974.22
	Gurgaon-Palwal Transmission Limited	Subsidiary	-	(13.79)
	Lakadia Vadodara Transmission Project Limited	Subsidiary of Joint Venture	9,186.81	4,682.47
	Nangalbibra-Bongaigaon Transmission Limited	Subsidiary	54.06	-
11	**Sale of goods (net of goods and service tax)**			
	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	35.36	8.39
	Sterlite Convergence Limited	Subsidiary	6.87	-
12	**Miscellaneous income**			
	Sterlite Grid 14 Limited	Joint Venture	3.07	-
	Sterlite Grid 29 Limited	Joint Venture	0.64	

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Particulars	Relationship	31 March 2022	31 March 2021
13	**Management fees income (excluding GST)**			
	Gurgaon Palwal Transmission Limited	Subsidiary	-	4.84
	Khargone Transmission Limited	Subsidiary	8.92	6.52
	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	24.99	9.95
	IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)	Associate	0.73	5.13
	Sterlite Brazil Participicos, S.A., Brazil	Subsidiary	19.27	-
	Vedanta Limited	Fellow Subsidiary		-
14	**Dividend income**			
	Sterlite Brazil Participicoes, S.A., Brazil	Subsidiary	-	1,226.51
15	**Performance bank guarantee charge recovered from subsidiary**			
	Sterlite Brazil Participicos, S.A., Brazil	Subsidiary	21.93	104.21
16	**Interest income accrued or interest received**			
	Sterlite Power Technologies Private Limited	Fellow Subsidiary	1.52	11.73
	Sterlite Technologies Limited	Fellow Subsidiary	6.29	7.50
	Sterlite Grid 13 Limited	Joint Venture	135.56	-
	Sterlite Grid 14 Limited	Joint Venture	45.73	-
	Sterlite Grid 18 Limited	Joint Venture	241.81	-
	Sterlite Grid 29 Limited	Joint Venture	139.87	-
17	**Purchase of goods and services (net of taxes)**			
	Sterlite Grid 5 Limited	Subsidiary	-	237.83
	Vedanta Limited	Fellow Subsidiary	10,647.67	4,792.49
	Bharat Aluminium Company Limited	Fellow Subsidiary	2,195.46	507.80
	ESL Steel Limited	Fellow Subsidiary	405.88	243.18
	Sterlite Technologies Limited	Fellow Subsidiary	104.79	161.66
	Hindustan Zinc Limited	Fellow Subsidiary	0.20	6.11
18	**Interest cost**			
	Sterlite Interlinks Limited	Associate	-	354.33
	PTC Cables Private Limited	Director interested parties	44.90	130.18
	Vedanta Limited	Fellow Subsidiary	104.10	120.16
	Bharat Aluminium Company Limited	Fellow Subsidiary	21.22	16.74
19	**Purchase of power**			
	Vedanta Limited	Fellow Subsidiary	31.33	26.12
20	**Remuneration given to KMP (refer note 2 below)**			
	Mr. Anuraag Srivastav	KMP	24.28	30.17
	Mr. Pratik Agarwal	KMP	101.50	49.99
	Mr. Ashok Ganesan	KMP	11.81	8.90
	Mr. Sanjeev Bhatia	KMP	6.39	-
	Mr. Manish Agrawal	KMP	5.98	-
21	**Director sitting fees**			
	Mr. Arun Todarwal	Director	1.40	4.55
	Mr. A.R Narayanaswamy	Director	3.70	5.00
	Ms. Haixia Zhao	Director	2.63	3.40
	Mr. Anoop Sheth	Director	2.90	1.70
22	**Director Commission**			
	Mr. A.R Narayanaswamy	Director	0.12	-
	Ms. Haixia Zhao	Director	3.42	5.86
	Mr. Anoop Sheth	Director	-	0.63

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(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Particulars	Relationship	31 March 2022	31 March 2021
23	**CSR expenditure**			
	Sterlite Ed India Foundation	Subsidiary	29.00	19.20
24	**Availing services**			
	Cyril Amarchand Mangaldas	Director interested parties	-	0.45
	Sterlite Technologies Limited	Fellow Subsidiary	1.00	-
	Talwandi Sabo Power Limited	Director interested parties	-	0.85
25	**Advance received against contracts (excluding tax)**			
	Udupi Kasargode Transmission Limited	Subsidiary of Joint Venture	405.92	430.85
	Mumbai Urja Marg Limited	Subsidiary of Joint Venture	-	4,082.39
	Nangalbibra-Bongaigaon Transmission Limited	Subsidiary of Joint Venture	843.49	-
	Lakadia Vadodara Transmission Project Limited	Subsidiary of Joint Venture	-	655.53
26	**Contract asset billed during the year**			
	Sterlite Convergence Limited	Subsidiary	-	192.70
27	**Reimbursement of expense paid to related parties**			
	Sterlite Technologies Limited	Fellow Subsidiary	15.50	-
	Vedanta Limited	Fellow Subsidiary	-	0.48
	Bharat Aluminium Company Limited	Fellow Subsidiary	-	0.08
28	**Reimbursement of expense paid on behalf of related parties**			
	Goa-Tammar Transmission Project Limited	Subsidiary of Joint Venture	11.89	-
	Khargone Transmission Limited	Subsidiary	24.01	-
	Lakadia Vadodara Transmission Project Limited	Subsidiary of Joint Venture	33.36	2.73
	Mumbai Urja Marg Limited	Subsidiary of Joint Venture	7.74	-
	Sterlite Brazil Participicoes, S.A., Brazil	Subsidiary	17.66	-
	Vedanta Limited	Fellow Subsidiary	5.13	-
29	**Bank guarantee given**			
	Sterlite Grid 4 Limited	Subsidiary	-	-
	Sterlite Grid 10 Limited	Subsidiary	-	100.00
	Sterlite Grid 20 Limited	Subsidiary	-	105.00
	Sterlite Grid 13 Limited	Subsidiary	-	376.40
	Lakhadia Vadodra Transmission Project Limited	Subsidiary of Joint Venture	-	1.50
	Mumbai Urja Marg Limited	Subsidiary of Joint Venture	800.00	-
	Sterlite Grid 18 Limited	Subsidiary	-	-
	Goa-Tammar Transmission Project Limited	Subsidiary	-	-
28	**Management fees**	Fellow Subsidiary	-	-
	Vedanta Limited			
30	**Dividend Paid**			
	Twinstar Overseas Limited	Immediate Holding Company	231.45	
	Vedanta Limited	Fellow Subsidiary	5.05	
	Mr. Pravin Agarwal	Chairman	4.43	
	Mr. Navin Kumar Agarwal	Relative of KMP	0.30	
	Mrs. Suman Didwania	Relative of KMP	0.09	
	Mr. Pratik Agarwal	KMP	3.18	

 # Sales disclosed above are based on actual billings made to subsidiaries in respect of EPC contracts. However, the Company recognises revenue based on percentage of completion method.

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Note:

1. All the related party transactions disclosed above have been shown at their nominal values without giving effect to the impact of reclassification into equity and liability and adjustment arising on account of effective interest rate method under Ind AS.

2. **Remuneration to key management personnel:**

(₹ in million)

	31 March 2022	31 March 2021
Short-term employee benefits	149.96	89.06
Post-employment benefits *	-	-
Total	**149.96**	**89.06**

* As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel are not included above.

NOTE 46: SEGMENT INFORMATION

Operating segment:

The Company has only one operating segment which is power product solution and power transmission infrastructure. On review of all the relevant aspects including, in particular, the system of internal financial reporting to the Board of Directors which is the Chief Operating Decision Maker ('CODM') and considering the economic characteristics of the Company's operations, the Company is of the view that it operates in a single primary segment. Hence no separate disclosure under India Accounting Standard 108 is considered necessary. As permitted by paragraph 4 of Ind AS-108, 'Operating Segments', if a single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements.

Geographic information:

Geographical revenue is allocated based on the location of the customer. information regarding geographical revenue is as follows:

The Company's revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

(₹ in million)

	31 March 2022	31 March 2021
(1) Revenue from external customers		
- Within India	27,037.97	22,142.43
- Outside India	10,772.82	7,196.09
Total revenue per statement of profit and loss	**37,810.79**	**29,338.52**
The revenue information above is based on the locations of the customers		
(2) Non-current operating assets		
- Within India	2,796.33	2,423.04
- Outside India	-	-
Total	**2,796.33**	**2,423.04**

Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible assets.

Notes to Financial Statements

for the year ended March 31, 2022
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NOTE 47A: EMPLOYEE STOCK APPRECIATION RIGHTS

ESAR scheme 2017

The Company has granted Nil million (31 March 2021: 0.65 million) Employee Stock Appreciation Rights (ESARs) to eligible employees under the Employee Stock Appreciation Rights plan 2017 ("ESAR 2017") Scheme ("Scheme") as approved by the Committee formed under the Scheme vide Board Resolution dated 8 October 2017.

Following is the reconciliation of provision for ESARs outstanding:

Particulars	March 31, 2022		31 March 2021	
	Numbers (in million)	Amount (₹ in million)	Numbers (in million)	Amount (₹ in million)
Opening balance as at the beginning of the year	**0.63**	**304.18**	**0.65**	**43.04**
ESARs granted during the period	-	-	0.03	1.70
ESARs cancelled / waived	-	(16.37)	(0.05)	(3.63)
Payment towards ESARs vested	(0.63)	(287.80)	-	-
Balance ESAR	**-**	**-**	**0.63**	**41.10**
Accrual for the year and impact of change in FMV of equity share	-	-	-	263.08
Closing balance as at the end of the year	**-**	**-**	**0.63**	**304.18**

During the year the Company has reversed expense of ₹ 16.37 in statement of profit & loss account and ₹ 287.80 million has been paid to employees towards ESAR vested.

NOTE 47B: PERFORANCE CASH INCENTIVE PLAN FOR EMPLOYEE

Long Term Incentive Plan 2022

During the year, the Company introduced Sterlite Power Plus Performance Cash Incentive Plan– 2021 (‘Performance Cash Incentive Plan’) for its employees pursuant to the approval from the Nomination and Remuneration committee vide resolution dated 24 September 2021. Performance Cash Incentive Plan is designed to provide annual incentives to the employees of the company to contribute towards long term performance of the Company and achievement of the Company’s goals. It is a cash settled plan.

The Nomination and remuneration committee of the Company has approved related vesting conditions for the financial year ended March 31,2022. Vesting of the benefits under Performance Cash Incentive Plan would be subject to continuous employment with the Company and certain performance parameters subject to which the incentives would vest. The total cash incentives payable as per the Performance Cash Incentive Plan are approved by the Nomination and remuneration committee and the cash pay out will be spread over a period of 3 years as per the pay out schedule specified in the Performance Cash Incentive Plan based on the performance parameters achieved by the Company for the financial year ended 31 March 2022.

The Company has recorded liability towards Performance Cash Incentive Plan based on the projected unit completion method. The Company has used certain assumptions such as attrition rate and discount rate to derive the present value of the obligation under Performance Cash Incentive Plan which are mentioned below:

The details of expenses and liability recognised during the year for the Performance Cash Incentive Plan are as follow:

(₹ in million)

Particulars	March 31, 2022	31 March 2021
Opening balance as at the beginning of the year	-	-
Performance Cash Incentive Plan provision during the year	114.30	-
Performance Cash Incentive Plan provision reversed during the year	-	-
Payment towards Performance Cash Incentive Plan vested	-	-
Balance Performance Cash Incentive Plan provision	**114.30**	**-**
Accrual for the year	-	-
Closing balance as at the end of the year	**114.30**	**-**

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 48: OTHER NOTES

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is assessing the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

NOTE 49: IMPACT OF MERGER OF STERLITE GRID 4 LIMITED

The Scheme of Amalgamation of Sterlite Grid 4 Limited ('SGL4') being a wholly owned subsidiary of the Company with the Company has been sanctioned by National Company Law Tribunal ('NCLT') vide its order dated 17 February 2022. The Company has received certified copy of the order which is filed with Registrar of Companies on March 14,2022 ('Effective date').

Management has assessed that the amalgamation of SGL4 (including project SPVs) with the Company is an asset acquisition since it doesn't fulfil / meet the definition of business as per Ind AS 103, Business Combinations. Therefore, the amalgamation of SGL4 with the Company is accounted from the Effective date when all substantial conditions for the transfer of assets and liabilities are completed as specified in the scheme. As a result the comparative periods are not restated and hence not comparable with the current year.

(a) Balance sheet of Sterlite Grid 4 Limited as on 14 March 2022

Particulars	14 March 2022
ASSETS	
Financial assets	
i. Other financial assets	3.37
Total non-current assets	**3.37**
Financial assets	
i. Loans	10,891.86
ii. Cash and cash equivalents	81.33
iii. Bank balances other than (ii) above	1,272.81
iv. Other financial assets	853.57
Other current assets	44.40
Total current assets	13,143.97
TOTAL ASSETS	**13,147.33**
EQUITY AND LIABILITIES	
Equity	
Equity share capital	0.50
Other equity	
i. Retained earnings	10,441.71
ii. Debenture Redemption Reserve	200.00
Total equity	**10,642.21**
Liabilities	
Current liabilities	
Financial liabilities	
i. Short term borrowings	2,182.32
ii. Other financial liabilities	39.78
Current tax liability (net of advance tax and tds)	283.03
Total current liabilities	**2,505.12**
TOTAL LIABILITIES	**13,147.33**

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for the year ended March 31, 2022

(All amounts in ₹ million unless otherwise stated)

NOTE 50: RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reason for variance
Current ratio	Current assets	Current liabilities	1.23	0.83	48.84%	The increase in current ratio is because of merger of the Sterlite Grid 4 Limited which led to increase in the current assets of the Company and also reduction in the current liabilities of the Company.
Debt-Equity ratio	Total debt = Total Long term Loans + Short term Loans + Current Maturities of Long term Loans - Loan from Wholly Owned Subsidiary	Shareholder's equity = Share capital + Securities premium + Retained earnings + Other reserves	0.13	0.53	-75.62%	The decrease in the ratio is majorly on account of repayment of the borrowings which were availed by the Company and merger of the Sterlite Grid 4 Limited which led to reduction in the short term borrowings availed by the Company from Sterlite Grid 4 Limited.
Debt service coverage ratio	"Net Profit after taxes + Non-cash operating expenses like depreciation and amortizations + Interest + other adjustments like profit / loss on sale of property, plant & equipment "	Debt service = Interest & Lease Payments + Principal repayments	2.54	1.65	53.55%	The increase in the ratio is because of reduction in the total value of debt availed by the Company. During the year, the Company has repaid the long term loans and short term loans.
Return on equity ratio	Profit after tax	Average shareholder's equity = (Opening shareholder's equity + Closing shareholder's equity)/2	15%	27%	-46.07%	The reduction in the return on equity is majorly because of increase in the Shareholder's fund on account of increase in retained earning due to merger of Sterlite Grid 4 Limited.
Inventory turnover ratio	Cost of goods sold = Cost of raw material and components consumed + Purchase of traded goods + Construction material and contract expense + Decrease/(increase) in inventories of finished goods, work-in-progress and traded goods	Average inventories = (Opening inventories + Closing inventories)/2	10.19	5.68	79.44%	The increase in inventory turnover ratio is majorly on account of increase operations of the Company resulting in reduction in inventory level of the Company
Trade receivable turnover ratio	Net credit sales = Revenue from operations	Average trade receivables = (Opening trade receivables + Closing trade receivables)/2	3.27	3.19	2.42%	NA

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reason for variance
Trade payable turnover ratio	Net credit purchases = Purchase of raw materials and components + Purchase of traded goods + Construction material and contract expense	Average trade payables = (Opening trade payables + Closing trade payables)/2	2.09	1.46	42.74%	The increase in trade payable turnover ratio is majorly on account of decrease in balance of trade payable due to payment made to the vendors.
Net capital turnover ratio	Net sales = Revenue from operations	Working capital = Current assets - Current liabilities	6.89	(8.23)	-183.75%	The increase in the ratio is majorly on account of improvement in net current asset position of the Company due to merger of Sterlite Grid 4 Limited and increased turnover of the Company during the current year.
Net profit ratio	Net profit = Profit/ (loss) after tax	Net sales = Revenue from operations	6%	12%	-47.51%	The reduction in the ratio is because of reduction in profits of the current year. During the previous year, the Company recognised gain Synergy gain of income tax on account of merger of wholly owned subsidiary i.e. Sterlite Power Grid ventures Limited. The Company had also received dividend from its wholly owned subsidiary in Brazil which led to increase net profits after tax for the previous year. Since there are no such tax gain and dividend income, this has led to decrease in net profits after tax for the current year.
Return on capital employed	Earnings before interest and taxes = Earning before interest, tax, depreciation and amortisation - Depreciation and amortisation expense	Capital employed = Shareholder's equity + Total debt + Deferred tax liability (net) - Intangible assets (including under development)	15%	29%	-47.56%	The reduction in the ratio is because of reduction in profits of the current year During the previous year, During the previous year, the Company recognised gain Synergy gain of income tax on account of merger of wholly owned subsidiary i.e. Sterlite Power Grid ventures Limited. The Company had also received dividend from its wholly owned subsidiary in Brazil which led to increase net profits after tax for the previous year. Since there are no such tax gain and dividend income, this has led to decrease in net profits after tax for the current year.
Return on investment	Return = Interest income on bank deposits + Gain (loss) on sale of investments + Dividend income on investments	Investment = Investments (excluding investments in subsidiaries, associates and joint ventures) + Deposits with banks	7%	11%	-29.99%	The reduction in return on investment is majorly because, during the previous year, the Company had received dividend from its wholly owned subsidiary in Brazil which led to return on investment for the previous year. Since there is no such dividend income, this has led to decrease in return on investment in current year for the current year.

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NOTE 51A: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. Pursuant to these amendments, the Company has given the significant additional disclosures, as applicable, in these Financial statement for all the years presented.

(i) The Company has granted loans and made investment in its Joint ventures, associates, fellow subsidiaries and subsidiaries of Joint ventures Loans which have been utilised by them in ordinary course of business for further investment as per their business requirement in thier subsidiaires or for general corporate purpose. Details of the loans are as follows and please refer Note 6 for the terms of the loans given.

31 March 2022

Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
Sterlite Convergence Limited	Subsidiary	U64100HR2017PLC102280	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	41.70
Sterlite Grid 10 Limited	Subsidiary	U29100HR2017PLC102281	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.79
Sterlite Grid 11 Limited	Subsidiary	U29309HR2017PLC102284	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.80
Sterlite Grid 12 Limited	Subsidiary	U29304HR2017PLC102285	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	1.41
Sterlite Grid 13 Limited	Joint venture	U29309DL2018PLC337962	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in non-convertible debentures	Various Dates	507.87
Sterlite Grid 14 Limited	Joint venture	U29300DL2018PLC339426	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in equity	Various Dates	0.10
Sterlite Grid 14 Limited	Joint venture	U29300DL2018PLC339426	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in non-convertible debentures	Various Dates	228.72
Sterlite Grid 15 Limited	Subsidiary	U29309HR2018PLC102131	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	1.37
Sterlite Grid 16 Limited	Subsidiary	U29249DN2019PLC005563	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.00
Sterlite Grid 17 Limited	Subsidiary	U29305DN2019PLC005568	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.04

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Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in compulsury convertible debentures	Various Dates	50.50
Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in equity	Various Dates	618.11
Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in non-convertible debentures	Various Dates	964.36
Sterlite Grid 19 Limited	Subsidiary	U29307DN2019PLC005566	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.65
Sterlite Grid 20 Limited	Subsidiary	U29309DN2019PLC005567	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.65
Sterlite Grid 21 Limited	Subsidiary	U40108DN2019PLC005569	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.65
Sterlite Grid 22 Limited	Subsidiary	U40100DN2019PLC005572	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.63
Sterlite Grid 23 Limited	Subsidiary	U40106DN2019PLC005574	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.32
Sterlite Grid 26 Limited	Subsidiary	U40108DN2019PLC005577	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	525.63
Sterlite Grid 27 Limited	Subsidiary	U40200DN2019PLC005576	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.61
Sterlite Grid 28 Limited	Subsidiary	U40100DN2019PLC005582	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.61
Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230	Investment in compulsury convertible debentures	Various Dates	48.63
Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230	Investment in equity	Various Dates	389.69

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(All amounts in ₹ million unless otherwise stated)

Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230	Investment in non-convertible debentures	Various Dates	1,875.86
Sterlite Grid 30 Limited	Subsidiary	U40106HR2017PLC101978	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.07
Sterlite Grid 5 Limited	Subsidiary	U29190PN2016PLC209044	4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1 Pune Pune MH 411001 IN	Loan Given	Various Dates	602.51
Sterlite Grid 6 Limited	Subsidiary	U29309HR2017PLC102137	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	1.39
Sterlite Grid 7 Limited	Subsidiary	U29307HR2017PLC102138	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.83
Sterlite Grid 8 Limited	Subsidiary	U29309HR2017PLC102332	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.80
Sterlite Power Technologies Private Limited	Fellow Subsidiary	U74110HR2014PTC101972	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	35.00
Sterlite Grid 9 Limited	Subsidiary	U29309HR2017PLC101976	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.81

NOTE 51B: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

A. Sterlite Power Transmission Limited*:

(ii) The Company has availed borrowings from the banks and financial institutions on the basis of security of current assets. The Company files the statement of current assets with the bank on periodical basis. Following are the discrepancies between books of accounts and quarterly statements submitted to the lenders, where borrowings have been availed based on security of current assets:

1. Inventory

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling Items			Amount as per books of accounts	Net difference
			Provision for inventory (refer note 1)	Material in transit (refer note 2)	Contract asset (refer note 3)		
1	Jun-21	4,102.05	-	-	1,212.38	2,889.67	-
2	Sep-21	3,979.32	117.40	-	1,297.23	2,564.69	-
3	Dec-21	4,311.53	-	2.41	1,400.80	2913.14	-
4	Mar-22	3,391.74	-	305.09	1,492.25	2,204.57	-

Note 1 Balances for provision for inventory were not considered in the quarterly statement submitted to the lenders.

Note 2 Balances for material in transit were not considered in the quarterly statement submitted to the lenders.

Note 3 Balances for contract asset arising from EPC contracts which forms part of other current assets in the books of accounts were considered in inventory in the quarterly statement submitted to the lenders.

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

2. Trade payable

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for services and expenses (refer note 1)	Advance to vendor (refer note 2)	Trade payables not backed by letter of credit (refer note 3)	Others (refer note 4)		
1	Jun-21	8,249.92	898.13	852.09	3,366.90	-	13,367.04	-
2	Sep-21	9,828.56	1,164.41	833.98	3,467.43	-	15,294.38	-
3	Dec-21	9,818.01	2,567.43	1,178.89	453.50	314.79	13,703.03	-
4	Mar-22	9,663.60	2,960.24	923.61	-	549.55	12,997.57	-

Note 1 Balance for payables for service and provision for expenses were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advance given to vendors which forms part of other current assets in the books of accounts were considered in trade payables in the quarterly statement submitted to the lenders.

Note 3 Balance of trade payables not backed by letter of credit were not considered in the quarterly statement submitted to the lenders.

Note 4 Balance of short term borrowings which is included in the trade payable in the quarterly return submitted to the lenders

3. Trade receivables

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for doubtful debts (refer note 1)	Advance from customers (refer note 2)	Trade receivables pertaining to finished goods in transit (refer note 4)	Others (refer note 3)		
2	Jun-21	3,093.62	384.18	5,956.00	-	-	9,433.80	-
3	Sep-21	3,801.15	610.10	7,731.96	760.00	-	11,683.01	-
4	Dec-21	6,304.77	805.19	8,228.68	-	2,352.78	11,375.48	-
5	Mar-22	7,625.43	841.04	8,213.97	-	1,506.57	13,491.50	-

Note 1 Balance for provision for trade receivables were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advances received from customer which forms part of other liabilities in the books of accounts were considered in the quarterly statement submitted to the lenders.

Note 3 Others includes balance of unbilled revenue pertaining to subsidiary or contract asset which forms part of other assets in the books of accounts which were considered in the quarterly statement submitted to the lenders.

Note 4 Balance of receivables pertaining to the finished goods in transit were considered in the quarterly statement submitted to the lenders.

** State Bank of India, Axis Bank, Yes Bank, ICICI Bank, Corporation Bank, Bank of Maharashtra, IDBI Bank, Bank of Baroda, HDFC Bank, Union Bank of India, Federal Bank RBL BANK, EXIM Bank, IndusInd Bank are the working capital lenders for Sterlite Power Transmission Limited to which the quarterly stock statements are submitted to the lenders.*

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 51C: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

A. Sterlite Power Transmission Limited*:

1. Inventory

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling Items					Amount as per books of accounts	Net difference
			Provision for inventory (refer note 1)	Material in transit (refer note 2)	Contract asset (refer note 3)	Supplier credit (refer note 4)	Others (refer note 5)		
1	Jun-20	4,531.70	69.40	-	2,045.74	356.90	43.50	2,816.96	-
2	Sep-20	4,166.40	96.40	-	1,827.70	158.00	-	2,400.30	-
3	Dec-20	4,358.00	85.60	-	1,231.00	-	-	3,041.40	-
4	Mar-21	4,114.10	71.50	117.62	1,279.80	-	197.98	3,078.40	-

Note 1 Balances for provision for inventory were not considered in the quarterly statement submitted to the lenders.

Note 2 Balances for material in transit were not considered in the quarterly statement submitted to the lenders.

Note 3 Balances for contract asset arising from EPC contracts which forms part of other current assets in the books of accounts were considered in inventory in the quarterly statement submitted to the lenders.

Note 4 Balances of suppliers credit which forms part of borrowings on the books of accounts were adjusted in the inventory in the quarterly statement submitted to the lenders.

Note 5 Other balances included inventory balance of packing material and master system integration division which were not considered in the quarterly statement submitted to the lenders.

2. Trade payable

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for services and expenses (refer note 1)	Advance to vendor (refer note 2)	Trade payables not backed by letter of credit (refer note 3)	Others (refer note 4)		
1	Jun-20	6,769.20	1,013.90	128.90	-	628.00	7,284.00	-
2	Sep-20	5,278.20	1,739.10	127.00	-	208.00	6,936.30	-
3	Dec-20	4,411.90	1,744.30	121.20	-	-	6,277.40	-
4	Mar-21	4,962.50	2,208.20	113.30	-	-	7,284.00	-

Note 1 Balance for payables for service and provision for expenses were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advance given to vendors which forms part of other current assets in the books of accounts were considered in trade payables in the quarterly statement submitted to the lenders.

Note 3 Balance of trade payables not backed by letter of credit were not considered in the quarterly statement submitted to the lenders.

Note 4 Balance of short term borrowings which is included in the trade payable in the quarterly return submitted to the lenders

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

3. Trade receivables

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items			Amount as per books of accounts	Net difference
			Provision for doubtful debts (refer note 1)	Advance from customers (refer note 2)	Others (refer note 3)		
1	Jun-20	5,441.00	268.02	1,158.12	232.00	6,563.10	-

Note 1 Balance for provision for trade receivables were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advances received from customer which forms part of other liabilities in the books of accounts were considered in the quarterly statement submitted to the lenders.

Note 3 Others includes balance of unbilled revenue pertaining to subsidiary or contract asset which forms part of other assets in the books of accounts which were considered in the quarterly statement submitted to the lenders.

** State Bank of India, Axis Bank, Yes Bank, ICICI Bank, Corporation Bank, Bank of Maharashtra, IDBI Bank, Bank of Baroda, HDFC Bank, Union Bank of India, Federal Bank RBL BANK, EXIM Bank, IndusInd Bank are the working capital lenders for Sterlite Power Transmission Limited to which the quarterly stock statements are submitted to the lenders.*

Sterlite Power Grid Ventures Limited (Merged with Sterlite Power Transmission Limited during the financial year ended March 31, 2021.

Trade payable

S.No.	Quarter	Amount as per stock statement	Reconciling Items	Derived balance	Amount as per F.S.	Net Difference
			Trade payables not backed by letter of credit (refer note 1)			
1	Jun-20	421.70	5,190.80	5,612.50	5,612.50	-
2	Sep-20	463.40	5,030.30	5,493.70	5,493.70	-
3	Dec-20	1,228.00	3,699.30	4,927.30	4,927.30	-
4	Mar-21	1,575.90	6,034.20	7,610.10	7,610.10	-

Note 1 Balance of trade payables not backed by letter of credit were not considered in the quarterly statement submitted to the lenders.

* State Bank of India and HDFC Bank are the working capital lenders for erstwhile Sterlite Power Grid Ventures Limited to which the quarterly stock statements were submitted to the lenders at standalone level.

B. There are no outstanding short term working capital loans and cash credit limits as at 31 March 2022 for the Company.

NOTE 51D: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

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

(iv) The Company do not have any transactions with companies struck off.

(v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except that with State Bank of India for working capital facility that has been sanctioned to the Company against which the charge for additional security demanded by the bank has not been created before the end of the statutory period.

(vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

Notes to Financial Statements

for the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 27 May 2022

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: 27 May 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 27 May 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: 27 May 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: 27 May 2022

Independent Auditor's Report

To
The Members of
Sterlite Power Transmission Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of Sterlite Power Transmission Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

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

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

The Annual report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

OTHER MATTER

(a) We did not audit the financial statements and other financial information, in respect of 25 subsidiaries whose financial statements include total assets of

₹ 65,522.85 million as at March 31, 2022, and total revenues of ₹ 13,136.77 million and net cash inflows of ₹ 8,422.91 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

The consolidated financial statements also include the Group's share of net profit of ₹ 0.26 million for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and an associate is based solely on the report(s) of such other auditors.

(b) The unaudited financial statements and other unaudited financial information in respect of one associate which reflects Group's share of net loss after tax of ₹ 11.76 million for the year ended March 31,2022. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of the associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and associates as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associate incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries and associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated financial statements – Refer Note 41 and Refer Note 23 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 19 and Note 8 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures and (b) the Group's share of net profit/loss in respect of its associates and/ or joint ventures;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2022.

iv. a) The respective managements of the Holding Company, its subsidiaries, its associates and its joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and an associate respectively that, to the best of its knowledge and belief, other than as disclosed in the note 44A to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associate and joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, associate and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and an associate respectively that, to the best of its knowledge and belief, other than as disclosed in the note 44B to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries, associates and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 22105754AJSYJO5325
Place of Signature: Mumbai
Date: May 27,2022

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: Sterlite Power Transmission Limited (the "Company"), its subsidiaries, its associates and joint ventures incorporated in India

Clause (xxi) of the Companies (Auditors Report) Order, 2020:

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

The report of the following components included in the consolidated financial statements has not been issued by its auditor till the date of our auditor’s report.

(₹ in million)

S.No	Name	CIN	Holding company/ subsidiary/ associate/ joint venture
1	Lakadia Vadodara Transmission Project Limited	U40105DL2019GOI347349	Subsidiary of a Joint venture
2	Mumbai Urja Marg Limited (Formerly known as Vapi-II North Lakhimpur Transmission Limited)	U40100DL2018PLC335750	Subsidiary of a Joint venture
3	Goa Tamnar Transmission Project Limited	U40106DL2017GOI310611	Subsidiary of a Joint venture
4	Khargone Transmission Limited	U40300DL2015GOI287933	Subsidiary

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN:22105754AJSYJO5325
Place of Signature: Mumbai
Date: May 27,2022

Annexure 2 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Sterlite Power Transmission Limted

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of Sterlite Power Transmission Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Group, its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 15 subsidiaries and an associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and an associate incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN:22105754AJSYJO5325
Place of Signature: Mumbai
Date: May 27,2022

Consolidated Balance Sheet

As at March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Note	March 31, 2022	March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3A	3,946.20	10,882.85
Capital work-in-progress	3B	230.77	14,932.90
Other intangible assets	4	362.40	443.79
Intangible assets under development	4	0.07	-
Investment in associates and joint ventures	5A	251.79	59.73
Financial assets			
i. Investments	5B	5,955.98	1,406.48
ii. Other financial assets	8	926.40	1,675.86
Income tax asset (net)		887.52	940.67
Deferred tax assets (net)	22	175.77	1,313.74
Other non-current assets	9	18,431.30	2,173.78
Total non current assets		**31,168.20**	**33,829.80**
Current assets			
Inventories	11	2,207.18	3,087.83
Financial assets			
i. Investments	5B	-	9.07
ii. Trade receivables	7	13,604.29	6,230.12
iii. Cash and cash equivalents	12	11,475.58	6,711.19
iv. Other bank balances	13	2,024.95	3,041.43
v. Loans	6	35.52	302.53
vi. Other financial assets	8	1,999.97	1,824.04
Other current assets	9	5,537.53	5,376.41
Assets classified as held for sale	10	23,437.85	7,134.52
Total current assets		**36,885.02**	**26,582.62**
Total		**60,322.87**	**33,717.14**
TOTAL ASSETS		**91,491.07**	**67,546.94**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	122.36	122.36
Other equity			
i. Securities premium	15	4,536.80	4,536.80
ii. Retained earnings	15	8,638.98	4,372.21
iii. Other reserves	15	3,607.92	1,934.67
Non-controlling interest		81.53	-
Total equity		**16,987.59**	**10,966.04**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	16	15,900.28	19,256.28
ii. Lease liabilities	47	454.74	20.46
iii. Other financial liabilities	19	176.14	-
Employee benefit obligations	20	76.10	76.67
Deferred tax liabilities (net)	22	543.99	540.51
Other non-current liabilities	23	4,973.18	3,194.86
Total non current liability		**22,124.43**	**23,088.78**
Current liabilities			
Financial liabilities			
i. Borrowings	17	5,586.41	8,504.66
ii. Lease liabilities	47	124.62	32.59
iii. Trade payables			
- total outstanding dues of micro enterprises and small enterprises	18	492.92	487.02
- total outstanding dues of creditors other than micro enterprises and small enterprises	18	16,195.32	5,747.38
iv. Other financial liabilities	19	3,049.03	10,398.46
Employee benefit obligations	21	106.66	98.18
Other current liabilities	23	5,798.02	3,127.84
Current tax liabilities (net)		351.86	484.48
Total current liabilities		**31,704.84**	**28,880.61**
Liabilities directly associated with assets classified as held for sale	10	20,674.21	4,611.51
Total		**52,379.05**	**33,492.12**
Total liabilities		**74,503.48**	**56,580.90**
TOTAL EQUITY AND LIABILITIES		**91,491.07**	**67,546.94**
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For S R B C & CO LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: May 27, 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: May 27, 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: May 27, 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: May 27, 2022

Consolidated Statement of Profit and Loss

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Note	March 31, 2022	March 31, 2021
INCOME			
Revenue from operations	24	51,974.83	20,923.91
Other income	26	7,970.70	17,245.68
Total income (I)		**59,945.53**	**38,169.59**
EXPENSES			
Cost of raw material and components consumed	27	12,003.35	8,075.52
Construction material and contract expense	28	27,388.71	4,437.61
Purchase of traded goods		579.31	591.19
Decrease/(Increase) in inventories of finished goods, work-in-progress and traded goods	29	176.84	1,280.05
Employee benefits expense	30	2,470.37	2,301.34
Other expenses	31	3,788.66	4,506.71
Reversal of impairment of investment	10	-	(954.98)
Total expenses (II)		**46,407.24**	**20,237.44**
Earning before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		**13,538.29**	**17,932.15**
Depreciation and amortisation expense	32	803.56	988.15
Finance costs	33	4,256.76	5,736.46
Finance income	25	(884.60)	(379.78)
Profit before share of profit / (loss) of associates and joint ventures and tax expense		**9,362.57**	**11,587.32**
Share of profit/(loss) of associates and joint ventures	5A	**(2,675.60)**	**5.75**
Exceptional item	34	117.00	-
Profit before tax		**6,569.97**	**11,593.07**
Tax expense:	22		
Current tax		1,570.18	2,789.22
Deferred tax charge/(credit)		743.27	30.40
Income tax for earlier years		(144.90)	75.71
Income tax expense		**2,168.55**	**2,895.33**
Profit for the year		**4,401.42**	**8,697.74**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translating the financial statements of foreign operations		1,040.09	(654.05)
Income tax effect		-	-
		1,040.09	**(654.05)**
Net movement on effective portion of cash flow hedges		4,493.22	2,416.44
Income tax effect		(307.38)	(237.63)
		4,185.84	2,178.82
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**5,225.93**	**1,524.77**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gain on defined benefit plans		(10.39)	(4.55)
Income tax effect		2.61	1.15
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**(7.78)**	**(3.40)**
Other comprehensive income for the year		5,218.15	1,521.37
Total comprehensive income for the year		**9,619.57**	**10,219.11**
Earnings per equity share	35		
Basic and diluted			
Computed on the basis of profit for the year attributable to the equityholders of the parent (net of tax) (₹)		71.94	142.16
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For S R B C & CO LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: May 27, 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: May 27, 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: May 27, 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: May 27, 2022

Consolidated Cash Flow Statement

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	March 31, 2022	March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit as per consolidated statement of profit and loss	4,401.42	8,697.74
Adjustment for taxation	2,168.55	2,895.33
Profit before tax	**6,569.97**	**11,593.07**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	803.56	988.15
Impairment allowance for trade receivables and advances	103.59	97.64
Loss/(Profit) on sale of property, plant and equipment (net)	4.48	(1.86)
Gain on conversion of subsidiaries in power transmission infrastructure business into joint ventures	(94.44)	-
Unrealized exchange difference (net)	-	112.05
Indemnification expenses incurred under share purchase agreement	77.13	72.88
Net profit on sale of investments in shares of Indigrid Investment Managers Limited and in units of India Grid Trust	(297.50)	(213.92)
Reversal of impairment of investment	-	(954.98)
Write down / (reversal) related to assets held for sale	(422.23)	670.24
Income on investment in India Grid Trust	(11.47)	(537.73)
Share in loss /(profit) of associates and joint ventures	2,675.60	(5.75)
Finance costs	4,256.76	5,736.46
Finance income	(884.60)	(379.78)
Net gain on sale of investment in subsidiaries and associates in power transmission and infrastructure business	(7,031.95)	(15,397.27)
Consideration received from India Grid Trust on sale of investments in earlier years	(513.65)	(1,047.29)
	(1,334.72)	**(10,861.16)**
Operating profit before working capital changes	**5,235.25**	**731.91**
Movements in working capital:		
Increase/(decrease) in trade payables	6,599.79	(1,527.07)
Increase/(decrease) in employee benefit obligation	5.46	18.71
Increase/(decrease) in other liabilities	1,675.43	8,707.89
Increase/(decrease) in other financial liabilities	746.02	2,232.50
(Increase)/decrease in trade receivables	(4,539.86)	(1,906.08)
(Increase)/decrease in inventories	880.66	834.95
(Increase)/decrease in other financial assets	1,227.29	(1,729.04)
(Increase)/decrease in other assets	(13,327.14)	1,468.62
Change in working capital	(6,732.36)	8,100.48
Cash generated from/(used in) operations	**(1,497.11)**	**8,832.39**
Direct taxes paid (net of refunds)	(1,381.35)	(3,299.31)
Net cash flow from/(used in) operating activities	**(2,878.46)**	**5,533.08**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including capital work-in-progress and capital advances	(6,582.65)	(17,104.17)
Proceeds from sale of property, plant and equipment	67.74	4.84
Cash flow from/of sale/purchase of investments, net	9.07	290.33
Cash flow purchase of investments, net	(200.00)	-
Proceeds from sale of investment in subsidiaries and associates in power transmission and infrastructure business	6,097.72	25,071.08
Proceeds from sale of units of India Grid Trust	283.72	8,299.09
Proceeds from sale of investment in Indigrid Investment Managers Limited	359.95	-
Investment in bank deposits, net	1,747.60	3,906.29
Income on investment in India Grid Trust	11.47	537.73
Payment for indemnification expenses as per share purchase agreement	(225.16)	(42.95)
Loan given to related parties	(35.00)	-
Loan repaid by related parties	302.02	-
Investment in shares of joint ventures	(1,007.91)	(1,010.48)
Investment in non-convertible debentures of joint ventures	(2,453.00)	-
Investment in compulsorily convertible debentures of joint ventures	(99.13)	-
Proceed from sale of non-convertible debentures of joint ventures	1,914.23	-
Interest received	301.24	383.36
Net cash flow from investing activities	**491.91**	**20,335.12**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of interim dividend	(317.97)	-
Repayment of borrowings from Sterlite Interlink Limited	-	(6,200.00)
Proceeds of long term borrowings	16,788.29	31,120.37
Repayment of long term borrowings	(977.61)	(37,446.15)
Proceeds/(repayment) of short term borrowings (net)	(2,015.56)	148.63
Repayment of lease obligation	(86.31)	(107.42)
Finance costs paid	(4,603.51)	(8,556.96)

Consolidated Cash Flow Statement

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	March 31, 2022	March 31, 2021
Net cash flow from/(used in) financing activities	**8,787.33**	**(21,041.53)**
Net increase in cash and cash equivalents	**6,400.78**	**4,826.67**
Cash and cash equivalents as at beginning of year	6,711.19	2,946.34
Cash and cash equivalents on dispoal/loss of control of subsidiaries in power transmission and infrastructure business	(657.76)	(1,061.82)
Cash and cash equivalents on acquisition of subsidiary (refer note 49)	65.71	-
Cash and cash equivalents classifed under assets held for sale (refer note 10)	(1,044.40)	-
Cash and cash equivalents as at year end	**11,475.52**	**6,711.19**

Reconciliation between opening and closing balances for liabilities arising from financing activities

(₹ in million)

	Long-term borrowings	Short-term borrowings
April 01, 2020	39,560.78	13,769.43
Cash flow		
- Interest	(6,694.15)	(1,862.81)
- Proceeds/(repayments)	(6,433.20)	(6,051.37)
Non-cash changes		
- Classified as current maturities	15,710.13	-
- Classified as short term borrowings current maturities	-	706.09
- Lease Liabilities shown separately	(20.46)	-
- Notional interest	(130.16)	-
- Others	1.04	5.35
- Transferred on sale of subsidiaries	(29,410.64)	-
Accrual for the year (gross of interest capitalised)	6,672.95	1,937.97
March 31, 2021	**19,256.28**	**8,504.66**
Cash flow		
- Interest	(2,627.32)	(1,976.19)
- Proceeds/(repayments)	15,810.68	(2,015.56)
Non-cash changes		
- Classified as current maturities	330.91	(330.91)
- Classified as liabilties held for sale	(11,385.09)	(545.68)
- Addition on acquisiton of subsidiary	88.05	-
- Others	-	(117.22)
- Transferred on sale/loss of control of subsidiaries	(8,200.55)	-
Accrual for the year (gross of interest capitalised)	2,627.31	2,067.31
March 31, 2022	**15,900.28**	**5,586.41**

(₹ in million)

	March 31, 2022	March 31, 2021
Balances with banks:		
On current accounts	10,112.86	3,570.10
Deposit with original maturity of less than 3 months	1,362.69	3,141.06
Cash in hand	0.03	0.03
Total cash and cash equivalents (refer note 12)	**11,475.58**	**6,711.19**

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For S R B C & CO LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: May 27, 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: May 27, 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: May 27, 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: May 27, 2022

Consolidated Statement of Changes in Equity

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	Nos. in million	₹ in million
At April 01, 2020	**61.18**	**122.36**
Movement during the year	-	-
Changes in Equity Share Capital due to prior period errors	-	-
At March 31, 2021	**61.18**	**122.36**
Movement during the year	-	-
Changes in Equity Share Capital due to prior period errors	-	-
At March 31, 2022	**61.18**	**122.36**

B. OTHER EQUITY

(₹ in million)

Particulars	Reserves and surplus							Items of other comprehensive income		Total equity
	" Securities premium "	Retained earnings	Debenture redemption reserve	Legal reserve	Special unearned income reserve	Capital redemption reserve	Capital reserve	Cash flow hedge reserve	Foreign currency translation reserve	
Balance as at April 01, 2020	**4,536.80**	**(5,629.79)**	**-**	**172.13**	**3,270.44**	**1,543.67**	**0.35**	**(1,548.18)**	**(1,860.20)**	**485.22**
Profit for the year	-	8,697.74	-	-	-	-	-	-	-	8,697.74
Other comprehensive income	-	(3.40)	-	-	-	-	-	2,178.81	(654.05)	1,521.35
Total comprehensive income	**-**	**8,694.34**	**-**	**-**	**-**	**-**	**-**	**2,178.81**	**(654.05)**	**10,219.10**
Amount transferred from/ (to) debenture redemption reserve (refer note 15.7)	-	(200.00)	200.00	-	-	-	-	-	-	-
Add: Reclassified to statement of profit and loss	-	-	-	-	-	-	-	139.35	-	139.35
Amount transfer to capital redemption reserve (refer note 15.6)	-	(36.00)	-	-	-	36.00	-	-	-	-
Amount transferred from capital redemption reserve	-	1,543.65	-	-	-	(1,543.65)	-	-	-	(0.00)
Balance as at March 31, 2021	**4,536.80**	**4,372.21**	**200.00**	**172.13**	**3,270.44**	**36.02**	**0.35**	**769.98**	**(2,514.25)**	**10,843.68**
Profit for the year	-	4,401.42	-	-	-	-	-	-	-	4,401.42
Other comprehensive income	-	(10.39)	-	-	-	-	-	2,509.50	1,040.09	3,539.20
Total comprehensive income	**-**	**4,391.03**	**-**	**-**	**-**	**-**	**-**	**2,509.50**	**1,040.09**	**7,940.62**

Consolidated Statement of Changes in Equity

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

Particulars	Reserves and surplus							Items of other comprehensive income		Total equity
	" Securities premium "	Retained earnings	Debenture redemption reserve	Legal reserve	Special unearned income reserve	Capital redemption reserve	Capital reserve	Cash flow hedge reserve	Foreign currency translation reserve	
Appropriation for dividend paid	-	(324.26)	-	-	-	-	-	-	-	(324.26)
Less: Reclassified to statement of profit and loss	-	-	-	-	-	-	-	(1,676.34)	-	(1,676.34)
Transferred to retained earnings	-	200.00	(200.00)	-	-	(200.00)	-	-	-	(200.00)
Balance as at March 31, 2022	**4,536.80**	**8,638.98**	**-**	**172.13**	**3,270.44**	**36.02**	**0.35**	**1,603.15**	**(1,474.16)**	**16,783.70**

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For S R B C & CO LLP
Firm Registration No.
324982E / E300003
Chartered Accountants

For and on behalf of the Board of Directors of Sterlite Power Transmission Limited

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: May 27, 2022

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: May 27, 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: May 27, 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: May 27, 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: May 27, 2022

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

1. CORPORATE INFORMATION

Sterlite Power Transmission Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at 4th Floor, Godrej Millennium, Koregaon Park, Pune, Maharashtra, India.

The Company and its subsidiaries (together referred to as 'the Group') are engaged in the business of Power products and solutions. Power products and solutions mainly include manufacturing of power transmission conductors, optical ground wire cables and power cables. It also includes execution of Engineering, Procurement and Construction Contracts for replacement of power transmission conductors, optical ground wire cables and power cables as a part of master system integration business. The Group is also in the business of developing power transmission systems for concessional periods ranging from 25 to 35 years under Build Own Operate & Maintain ("BOOM") and Build, Operate and Transfer ('BOT') models.

The consolidated financial Statements were approved for issue in accordance with resolution passed by the Board of Directors on May 27, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group ('CFS') 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 CFS.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments;
- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements are presented in Indian Rupees Million, except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in

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For the year ended March 31, 2022
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preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS-12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated changes of statement of equity and balance sheet respectively.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained (unless the subsidiary is considered as an asset rather than a business and the investment retained is classified as investment in associate or joint venture in which case the investment retained is carried at cost)
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Group in preparing its consolidated financial statements:

a) Business Combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's

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identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

The excess of the consideration transferred; amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as an adjustment to the asset acquired. If those amounts are less than the fair value of the net identifiable assets, the difference is recognised recorded as an adjustment to the asset acquired. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is carried at cost at the acquisition date.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets

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acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business Combination under Common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C to Ind AS 103 and are accounted for using the pooling-of-interest method as follows:

- The assets and liabilities of the combining entities are reflected at the carrying amounts recorded in the parent entity's Consolidated Financial Statements with the exception of certain income tax and deferred tax assets.

- No adjustments are made to reflect fair values, or recognize new assets or liabilities. The only adjustments are made to harmonize significant accounting policies.

- The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved, and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

b) **Investment in associates and joint ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate or joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or joint venture is initially recognised at cost to the Group. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint ventures), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains resulting from the transactions between the Group and its associate or joint venture, to the extent of Group's interests in the associate or joint venture, are eliminated in the statement of profit and loss from the line item "Share of profit/(loss) of associates and joint ventures" and in the balance sheet against the carrying amounts of the associate or joint venture. Where such unrealised gains, to the extent of Group's interests in the associate or joint venture, exceed the carrying amounts of the associate or joint venture, such excess is presented as deferred income. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture impairment. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence/joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle

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- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

d) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group 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 monetary items that form part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

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Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

e) Fair value measurement

The Group measures financial instruments such as mutual funds and derivatives at fair value at each balance sheet date.

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:

- In the principal market for the asset or liability, or
- 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 Group.

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 Group 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 consolidated 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 consolidated financial statements on a recurring basis, the Group 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.

External valuers are involved for valuation of significant liabilities, such as optionally convertible redeemable preference shares. Involvement of external valuers is decided by the management on a need basis and with relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The management decides after discussion with the external valuers, which valuation techniques and inputs to use for the valuation.

At each reporting date, the management analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information

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in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. The valuation results are discussed at the Audit Committee.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 53)
- Disclosures for valuation methods, significant estimates and assumptions (Note 52, 53 and 36)
- Financial instruments (including those carried at amortised cost) (Note 5B, 6, 7, 8, 12, 13, 16, 17, 18, 19, 47)

f) Revenue recognition

Revenue from contract with customers

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 Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer. Amounts disclosed in revenue are net of goods and service tax (GST).

The Disclosure for significant accounting judgements, estimates and assumptions relating to revenue from operations are provided in Note 36.

Sale of power products

Revenue from the sale of goods is recognised at a point in time control of the goods is transferred to the customer, generally on delivery of the equipment. The normal credit term is 60 to 365 days upon delivery.

Power transmission services

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 25/35 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective Central Electricity Regulatory Commission ('CERC') tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

Revenue from Engineering, procurement and construction ('EPC') contracts

In case of revenue from fixed price EPC contracts for power transmission lines and installation of power transmission products, the performance obligation is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the achievement of contractual milestones.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the statement of profit and loss.

Where the profits from the contract cannot be estimated reliably, revenue is recognised equalling to expense incurred to the extent that it is probable that the expense will be recovered.

Revenue from construction of concession assets

The Group constructs transmission infrastructure in Brazil which is used to provide transmission services

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and operates and maintains that infrastructure for a specified period of time. The infrastructure constructed by the group (i.e. the operator) is not recorded as property, plant and equipment of the group because the concession agreement does not transfer to the concessionaire the right to control the use of public services infrastructure. The group only has the right to operate the infrastructure for the provision of public services on behalf of the Granting Authority, as provided in the contract. Thus, under the terms of the concession agreement, the operator only acts as a service provider. These arrangements are accounted for under Appendix D to Ind AS 115 Service Concession Arrangements. Such arrangements give rise to contract assets till the transmission services are rendered. The contract asset refers to the Group's right to the consideration as a result of the investments made in the construction of transmission line infrastructure.

The Group's performance obligation with respect to construction of service concession assets is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract costs incurred to date bear to the estimated total contract costs. When the Group provides more than one service under a concession agreement, the consideration received is allocated based on the fair values of the services delivered. For the estimate related to the revenue from construction assets, the Group used a model that calculates the cost of financing the customer (in this case, the Concession Grantor). The discount rates represent a market rate that considers the risks and premiums specific to the service concession transmission asset. The discount rates are fixed over the concession period and reflects the price that a customer would have paid for the promised goods or services if the customer had paid cash for those goods or services when (or as) they transfer to the customer.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the statement of profit and loss.

Remuneration of concession assets

Remuneration from service concession arrangement comprise of interest income recognised using the discount rate that reflects the economic volatility on the future cash flows from the service concession infrastructure. The discount rate is represented by a market rate that considers the risks and premiums specific to the service concession transmission asset.

Rendering of other services

Revenues from services are recognised over the period of the contract as and when services are rendered. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Contract modifications:

Contract modifications are defined as changes in the scope of the work, other than changes envisaged in the original contract, that may result in a change in the revenue associated with that contract. Modifications to approval before billings can be issued and the amounts relating to the additional work can be collected. The Group does not recognise the revenue from such additional work until the customer's approval has been obtained. In cases where the additional work has been approved but the corresponding change in price has not been determined, the requirement described below for variable consideration is applied: namely, to recognise revenue for an amount with respect to which it is highly probable that a significant reversal will not occur. The costs associated with these additional units or services performed are recognised when incurred, irrespective of whether or not the modification has been approved.

Variable considerations:

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Contract balances:

Contract assets

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

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Trade receivables
A receivable represents the Group'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 section "Financial instruments – initial recognition and subsequent measurement".

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or 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 Group performs under the contract.

Project management and Investment management services
Income from project and investment management services is recognised as per the terms of the agreement on the basis of services rendered.

Dividend
Dividend income is recognised in the consolidated statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Interest Income
The Group recognises the interest income based on the rate of interest as mentioned in the loan agreement. The Group annually assess the recoverability of the loan based by reviewing the financial position of the lender and considers the provision on the recoverability based on the such assessment. Interest accrual is considered in the books only if it is considered to be recoverable.

License Fees
Initial license fees is recognised over the period of time for use of infrastructure assets.

g) Government grants
Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

h) Taxation
Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside consolidated statement of profit and 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 considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. 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.

Goods and Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and Service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

i) Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of

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their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The group treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active program to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet. Refer note 10 for additional disclosures.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

j) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost less accumulated impairment losses, if any. 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. When significant parts of the plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

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Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

(Life in number of years)

Asset Category	Useful Life considered	Useful life (Schedule II)
Buildings (Factory/Office)	30/60 Years	30/60 Years
Plant and Machinery	2 - 20 Years *	Continuous process plant- 25 Years Others- 15 Years
Substations	25-35 Years*	40 Years
Furniture and fixtures	3 - 10 Years *	10 Years
Power Transmission Lines	25-35 Years*	40 Years
Data processing equipment	3 - 6 Years *	Service and networks- 6 Years and desktops and laptop etc - 3 Years
Office equipment	2 - 5 Years *	5 Years
Electric fittings	4 - 20 Years *	10 Years
Vehicles	3 - 5 Years *	8 Years
Leasehold improvements	Lease period$	Lease period

**Considered on the basis of management's estimation, supported by technical advice, of the useful lives of the respective assets.*

$ Leasehold improvements are depreciated over the useful life of the asset or the lease period whichever is lower

The Group, based on technical assessments made by technical experts and management estimates, depreciates certain items of, plant and equipment, data processing equipment, furniture and fittings, electrical fittings, office equipment and vehicles over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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 or loss when the asset is derecognised.

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.

k) 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. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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

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. 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.

The Group does not have any intangible assets with indefinite useful life.

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 or loss when the asset is derecognised.

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Software are amortised on a straight-line basis over a period of five to six years..

Right of way ("ROW") is amortised on straight line basis over the period of 21 years as per of contract with the authority (Refer note 4).

Right of way ("ROW") related to OPGW data transmission line availed from MSTECL is amortised on straight line basis over the period of 20 years as per of contract with the MSETCL (Refer note 4).

l) **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. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m) **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 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 Group 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, as follows:

- Land- 99 years
- Office building – 1 to 5 years
- Vehicles – 3 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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

ii) Lease Liabilities

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group 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

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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 Group 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.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

n) Inventories

Traded goods are valued at lower of cost and net realisable value. Cost is determined on weighted average basis and includes all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

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, components, stores and spares, packing materials and others: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis except for aluminium wherein the cost is determined on specific identification method based on the costing details of each project.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis except for aluminium conductors wherein the cost is determined on specific identification method based on the costing details of each project.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

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.

o) Impairment of non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units. A cash-generating unit (CGU) is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset

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is considered impaired and is written down to its recoverable amount.

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 Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group 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 or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

p) Provisions

Provisions are recognised when the Group 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 Group 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 consolidated statement of profit or 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.

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group 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).

q) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme

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for service received before the balance sheet 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 Group has a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method at Group level.

Remeasurements, comprising of actuarial gains and losses, 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. Remeasurements are not reclassified to profit or loss in subsequent periods.

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

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

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Group 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 Group treats accumulated leave expected to be carried forward beyond twelve months, as a 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. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred.

The Group 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 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability. The cost of accumulated leave under the short-term employee benefit plan is determined using the projected unit credit method at Group level.

r) Employee Stock Appreciation Rights Scheme

Employees of the Group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for Employee Stock Appreciation Rights (ESARs) (cash-settled transactions). The cost of ESARs is measured as the difference between the fair market value of equity shares of the Group on the reporting date and the SAR price on the Grant date as specified in the ESAR Scheme, and is recognized as employee compensation cost over the vesting period.

s) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost

ii. Debt instruments at fair value through other comprehensive income (FVTOCI)

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iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to loans, trade and other receivables (refer note 6 and 7)

Debt instrument at FVTOCI
A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have significant financial assets which are subsequently measured at FVTOCI.

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

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

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

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as

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income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Majority of the financial assets of the Group which are not reflected at fair value pertain to Loans to related parties and Trade and other receivables. Considering the nature of business, the Group does not foresee any credit risk on its Loans and trade and other receivables which may cause an impairment. As per the TSA, the receivables are covered by clause of payment security mechanism which ensures receipt of all trade receivables. Also, the Group does not have any past history of impairment of Trade receivables.

For the financial assets which are reflected at fair value no further impairment allowance is necessary as they reflect the fair value of the relevant financial asset itself.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instrument.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to borrowings.

Derecognition

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 derecognition 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 or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

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Original classification	Revised Classification	Accounting Treatment
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

t) 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

u) Cash dividend distribution to equity holders of the Group

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity

v) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and commodity future contracts to hedge metal price risk. 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.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

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.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will

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assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The Group has not classified any hedge as Fair Value hedge or hedge of net investment in foreign operation.

Cash flow hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast purchase occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

w) **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are 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.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.3 New and Amended standards

Several amendments apply for the first time in March 2022, but do not have an impact on the standalone financial statements of the Company.

- Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116
- Ind AS 116: COVID-19 related rent concessions
- Ind AS 103: Business combination
- Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

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NOTE 3A: PROPERTY, PLANT AND EQUIPMENT

₹ in million

Particulars	Freehold land $	Leasehold improvements	Buildings $	Transmission lines	Plant and machinery	Data processing equipment	Furniture and fittings	Office equipment	Vehicles	Electrical installations	Sub-station	Subtotal (Other than ROU assets)	Right of use asset (land)	Right of use asset (office building)	Right of use asset (vehicles)	Subtotal of ROU assets	Total
COST																	
As at April 01, 2020	1,402.15	60.59	1,029.56	8,444.90	3,153.40	132.58	49.40	47.78	27.30	252.47	7,954.23	22,554.37	3.17	249.09	7.85	260.13	22,814.50
Additions	37.12	-	-	16,786.01	18.86	4.99	1.49	6.01	-	0.41	9,715.54	26,570.43	-	-	2.29	2.29	26,572.72
Adjustments ^	-	-	(10.00)	-	-	(0.18)	-	-	-	-	-	(10.18)	-	(4.27)	-	(4.27)	(14.46)
Disposals	-	-	-	-	(70.83)	(0.01)	(3.22)	(3.12)	(0.69)	(1.58)	-	(79.45)	-	(4.87)	(1.72)	(6.59)	(86.05)
Disposals on sale of subsidiaries (refer note 36)	(620.63)	-	-	(20,273.35)	(1.32)	-	(0.16)	(2.87)	-	-	(14,090.52)	(34,988.85)	-	-	-	-	(34,988.85)
As at March 31, 2021	**818.64**	**60.59**	**1,019.56**	**4,957.57**	**3,100.11**	**137.38**	**47.51**	**47.80**	**26.60**	**251.29**	**3,579.25**	**14,046.32**	**3.17**	**239.95**	**8.41**	**251.55**	**14,297.87**
Additions	72.66	-	2.68	5,826.36	138.18	28.47	0.32	7.99	-	12.86	1,082.80	7,172.31	-	630.10	-	630.10	7,802.41
Adjustments ^	-	-	-	-	-	-	-	-	-	-	-	-	-	1.68	-	1.68	1.68
Additions on account acquisitions (refer note 49)	-	-	-	-	1,436.96	-	-	-	-	-	-	1,436.96	6.68	-	-	6.68	1,443.64
Disposals	-	(36.52)	(36.35)	-	(76.37)	(10.78)	(10.61)	(6.92)	(6.73)	-	-	(184.28)	-	-	(3.91)	(3.91)	(188.18)
Disposals on loss of control of subsidiaries (refer note 56)	(178.25)	-	-	-	-	-	-	-	-	-	-	(178.25)	-	-	-	-	(178.25)
Transfer to held for sale (refer note 10)	(154.50)	-	-	(10,783.91)	-	(0.92)	(0.31)	(2.24)	-	-	(4,662.05)	(15,603.93)	-	-	-	-	(15,603.93)
As at March 31, 2022	**558.55**	**24.07**	**985.90**	**0.01**	**4,598.88**	**154.15**	**36.91**	**46.64**	**19.87**	**264.15**	**(0.00)**	**6,689.13**	**9.85**	**871.72**	**4.50**	**886.09**	**7,575.23**
Depreciation / Impairment																	
As at April 01, 2020	-	51.30	347.83	93.85	2,013.83	87.64	37.61	33.49	10.64	123.87	84.36	2,884.44	0.25	102.61	(1.18)	101.67	2,986.11
Depreciation charge for the year	-	5.11	47.82	246.03	201.07	17.54	4.30	7.30	5.55	15.03	279.75	829.50	0.03	73.78	2.32	76.13	905.63
Adjustment	-	-	(1.88)	-	-	(0.04)	-	-	-	-	-	(1.92)	-	-	-	-	(1.92)
Disposal	-	-	-	-	(69.78)	(0.00)	(2.23)	(2.66)	(0.68)	(1.29)	-	(76.64)	-	-	(0.29)	(0.29)	(76.93)
Disposals on sale of subsidiaries (refer note 36)	-	-	-	(173.84)	(0.32)	-	(0.03)	(0.34)	-	-	(223.33)	(397.86)	-	-	-	-	(397.86)
As at March 31, 2021	**-**	**56.41**	**393.77**	**166.04**	**2,144.80**	**105.14**	**39.65**	**37.79**	**15.51**	**137.61**	**140.78**	**3,237.52**	**0.28**	**176.39**	**0.84**	**177.51**	**3,415.03**
Depreciation charge for the year	-	3.52	33.94	212.38	160.29	20.55	2.77	5.63	4.66	15.20	165.10	624.03	0.03	91.57	2.49	94.08	718.11
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions on account acquisitions (refer note 49)	-	-	-	-	305.37	-	-	-	-	-	-	305.37	-	-	1.00	1.00	306.37

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₹ in million

Particulars	Freehold land $	Leasehold improvements	Buildings $	Transmission lines	Plant and machinery	Data processing equipment	Furniture and fittings	Office equipment	Vehicles	Electrical installations	Sub-station	Subtotal (Other than ROU assets)	Right of use asset (land)	Right of use asset (office building)	Right of use asset (vehicles)	Subtotal of ROU assets	Total
Disposal	-	(35.86)	(34.59)	-	(21.54)	(10.02)	(9.96)	(6.10)	(4.68)	-	-	(122.75)	-	-	(2.17)	(2.17)	(124.92)
Transferred to assets held for sale (refer note 10)	-	-	-	(378.42)	-	(0.05)	(0.10)	(1.12)	-	-	(305.88)	(685.57)	-	-	-	-	(685.57)
As at March 31, 2022	**-**	**24.07**	**393.12**	**-**	**2,588.92**	**115.62**	**32.36**	**36.19**	**15.49**	**152.81**	**-**	**3,358.61**	**0.31**	**267.96**	**2.16**	**270.42**	**3,629.02**
Net book value																	
As at March 31, 2021	**818.64**	**4.18**	**625.79**	**4,791.53**	**955.31**	**32.24**	**7.87**	**10.01**	**11.09**	**113.68**	**3,438.47**	**10,808.80**	**2.89**	**63.56**	**7.57**	**74.05**	**10,882.85**
As at March 31, 2022	**558.55**	**-**	**592.78**	**-**	**2,009.97**	**38.53**	**4.55**	**10.44**	**4.38**	**111.33**	**-**	**3,330.53**	**9.53**	**603.76**	**2.35**	**615.68**	**3,946.20**

^ Adjustment to the cost of property, plant and equipment pertain to those arising on account of final settlement with EPC Contractors/vendors.
$ Title deeds in respect of all the immovable properties are in the name of the Company

NOTE 3B: CAPITAL WORK IN PROGRESS

	(₹ in million)
As at March 31, 2021	14,932.90
As at March 31, 2022	230.77

**Capital work in progress mainly includes expenditure incurred on construction of transmission infrastructure.*
Refer note 17 for pledge of property, plant and equipment for borrowings.

(i) Following is the ageing of capital work in progress

Particulars	Amount in capital work in progress for									
	As at March 31, 2022					As at March 31, 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	229.87	0.22	0.68	-	230.77	7,858.78	1,230.55	2,803.62	3,039.95	14,932.90
Total	**229.87**	**0.22**	**0.68**	**-**	**230.77**	**7,858.78**	**1,230.55**	**2,803.62**	**3,039.95**	**14,932.90**

(ii) Following is the completion schedule for capital work in progress as at reporting dates whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in							
	As at March 31, 2022				As at March 31, 2021			
	Less than 1 year	1-2 years	2-3 years	Total	Less than 1 year	1-2 years	2-3 years	Total
Khargone Transmission Limited	-	-	-	-	5,795.85	-	-	5,795.85
Lakadia Vadodara Transmission Project Limited*	-	-	-	-	-	5,800.82	-	5,800.82
Total	**-**	**-**	**-**	**-**	**5,795.85**	**5,800.82**	**-**	**11,596.67**

** The date of completion doesn't include extension provided by the Government on account of COVID-19.*

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NOTE 4: INTANGIBLE ASSETS

(₹ in million)

Description	Software/ Licenses	Right of way	Total
Cost			
As at April 01, 2020	348.39	244.83	593.22
Additions	1.95	46.25	48.20
Disposals	-	-	-
Adjustments on account of foreign currency translation	(3.55)	-	(3.55)
As at March 31, 2021	**346.79**	**291.08**	**637.87**
Additions	12.85	-	12.85
Additions on account acquisitions (refer note 49) and (refer note ii below)	-	51.00	51.00
Adjustment ^	-	(35.63)	(35.63)
As at March 31, 2022	**359.64**	**306.45**	**666.09**
Amortisation/Impairment			
As at April 01, 2020	108.02	4.62	112.64
Amortisation charge for the year	71.74	10.79	82.53
Disposals	(0.24)	-	(0.24)
Adjustments on account of foreign currency translation	(0.85)	-	(0.85)
As at March 31, 2021	**178.67**	**15.41**	**194.08**
As at April 01, 2021	-	-	-
Amortisation charge for the year	73.28	12.16	85.44
Additions on account acquisitions (refer note 49) and (refer note ii below)	-	23.60	23.60
Disposals	-	-	-
Adjustments on account of foreign currency translation	-	0.57	0.57
As at March 31, 2022	**251.96**	**51.74**	**303.70**
Net Book Value			
As at March 31, 2021	168.12	275.67	443.79
As at March 31, 2022	**107.68**	**254.71**	**362.40**

(i) The Group has undertaken a project awarded by Gurugram Metropolitan Development Authority ("GMDA") to a consortium of which the Group is a party which involves laying of four ducts for creation of Optical Fibre cable backbone network for Gurugram smart city as per the designs approved by GMDA. The entire infrastructure shall be in the ownership of GMDA; Out of the four ducts, the Group will be given right of use of two ducts for monetizing its investments. One duct along with Optical Fibre Cable shall be used solely by GMDA and one duct will be spare and will be in the custody of GMDA, revenue earned out of the said duct shall be shared between GMDA and the consortium. The Group shall also undertake maintenance of the above network infrastructure for a period of 21 years on its own cost.
The consideration for the development of infrastructure for GMDA's use and for the maintenance of the same for 21 years will be in the form of Right of Way ('ROW') for the above project given by GMDA and no cash consideration will be received from GMDA. For the two ducts for which the rights of use/monetisation will be with the Group, there will be no restrictions from GMDA on the customers or the pricing to be charged by the Group. The Group has valued the consideration in the form of ROW at fair value which is included in intangible asset and the intangible assets under development. The Group has also recognised contract liability at present value of future cash flows for its performance obligations related to maintenance of the ducts over the period of 21 years.

(ii) The Right of Way (RoW) pertains to the right granted by MSETCL to the Group for a period of 22 years (31 March 2021: 22 years) to establish communication network in the state of Maharashtra.

^ *Adjustment to the cost of intangible assets pertain to those arising on account of final settlement with EPC Contractors/vendors.*

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(iii) Intangible assets under development

Particulars	(₹ in million)
As at April 01, 2020	65.53
Addition during the year	-
Transferred to intangible asset during the year	(46.25)
Adjustment during the year	(19.28)
As at March 31, 2021	**-**
As at April 01, 2021	-
Additions during the year	0.07
Transferred to intangible asset during the year	-
As at March 31, 2022	**0.07**

(iv) Following is the ageing of intangible asset under development

Particulars	Amount in intangible assets under development					
	As at March 31, 2022			As at March 31, 2021		
	Less than 1 year	1-2 years	Total	Less than 1 year	1-2 years	Total
Projects in progress	0.07	-	0.07	-	-	-
Total	**0.07**	**-**	**0.07**	**-**	**-**	**-**

NOTE 5A: INVESTMENT IN ASSOCIATES AND JOINT VENTURES

(₹ in million)

	31 March 2022	31 March 2021
NON-CURRENT		
Investment in equity shares- unquoted (accounted using equity method) (associates)		
Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (refer note i below and 10(a))		
Nil (March 31, 2021: 16,24,515) equity shares of ₹ 2 each fully paid up	-	47.14
Sterlite Interlinks Limited		
4,900 (March 31, 2021: 4,900) equity shares of ₹ 10 each fully paid up (refer note ii below)	12.85	12.59
Investment in equity shares- unquoted (accounted using equity method) (joint ventures)		
Sterlite Grid 13 Limited (refer note iii below)		
3,10,000 (March 31, 2021: 3,10,000) equity shares of ₹ 10 each fully paid up	-	-
Sterlite Grid 14 Limited (refer note iv below)		
60,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up	-	-
Sterlite Grid 18 Limited (refer note v below)		
6,18,61,000 (31 March 2021: 50,000) equity shares of ₹ 10 each fully paid up	-	-
Sterlite Grid 29 Limited (refer note vi below)		
3,90,69,483 (31 March 2021: 1,00,000) equity shares of ₹ 10 each fully paid up	238.94	-
Total	**251.79**	**59.73**

Note i

Indigrid Investment Managers Limited ('IIML') is the investment manager of India Grid Trust. The Group holds Nil (March 31, 2021: 26%) interest in IIML (also refer Note 10a). The Group's interest in IIML was accounted for using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in IIML.

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
Net assets		
Current assets	-	219.43
Non-current assets	-	113.32
Current liabilities	-	(116.20)
Non-current liabilities	-	(35.26)
	-	**181.29**
Equity investments (unquoted):		
Proportion of the Group's ownership		26.00%
Carrying amount of the investment	-	47.14
Investment in associate	**-**	**47.14**
Statement of profit and loss		
Revenue from contract with customers	-	280.28
Other income	-	2.07
Employee benefit expense	-	(189.25)
Depreciation expense	-	(9.68)
Finance cost	-	(3.17)
Finance income	-	17.67
Other expense	-	(50.40)
Profit before tax	**-**	**47.52**
Income tax	-	(8.19)
Profit for the year	**-**	**39.33**
Total comprehensive income for the year	**-**	**39.33**
Group's share of profit for the year	**-**	**10.22**

Note ii

The Group has 49% (March 31, 2021: 49%) interest in Sterlite Interlinks Limited ('SIL'), which undertakes activities of construction, maintenance of the infrastructure of Dark Fibre through OPGW / Cabling, ROW, Duct Space and towers on lease/ rent out basis. The Group's interest in SIL is accounted for using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in SIL.

(₹ in million)

	31 March 2022	31 March 2021
Net assets		
Current assets	136.06	224.16
Non-current assets	117.97	125.38
Current liabilities	(103.55)	(191.91)
Non-current liabilities	(124.25)	(131.94)
	26.23	**25.69**
Equity investments (unquoted):		
Proportion of the Group's ownership	49.00%	49.00%
Carrying amount of the investment	12.85	12.59
Investment in associate	12.85	12.59
Statement of profit and loss		
Revenue from contract with customers	27.37	125.04
Other income	1.52	-
Contract expense	(0.54)	
Consumption		(58.59)

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
Purchase of traded goods	-	(35.23)
Finance cost	-	(5.64)
Other expense	(27.82)	(20.61)
Profit/(loss) before tax	**0.53**	**4.97**
Income tax	-	(1.51)
Profit for the year	**0.53**	**3.46**
Total comprehensive income for the year	**0.53**	**3.46**
Group's share of profit for the year	**0.26**	**1.69**

Note iii

Investment in Sterlite Grid 13 Limited has been classified as investment in joint venture which is engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. Refer note 46. The Group's interest in the Sterlite Grid 13 Limited is accounted using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in Sterlite Grid 13 Limited.

(₹ in million)

	31 March 2022	31 March 2021
Net assets		
Current assets	2645.53	1,751.79
Non-current assets	11,793.30	4,875.68
Current liabilities	(3,501.68)	(2,044.43)
Non-current liabilities	(11,230.01)	(4,586.99)
	(292.86)	**(3.95)**
Equity investments (unquoted):		
Proportion of the Group's ownership	50.00%	50.00%
Carrying amount of the investment	(146.43)	(1.97)
Consolidation adjustment	(1,280.40)	-
Investment in joint venture*	**(1,426.83)**	**(1.97)**
Statement of profit and loss		
Revenue from operations	-	-
Finance cost	(271.11)	-
Finance income	0.65	-
Other expense	(10.53)	-
Loss before tax	(280.99)	-
Income tax	(8.07)	-
Loss for the year	**(289.06)**	**-**
Total comprehensive income for the year	**(289.06)**	**-**
Group's share of loss for the year	(144.53)	
Consolidation adjustments	(1,280.40)	
Net share of loss for the year	**(1,424.93)**	-

Note iv

Investment in Sterlite Grid 14 Limited has been classified as investment in joint venture which is engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. Refer note 46. The Group's interest in the Sterlite Grid 14 Limited is accounted using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in Sterlite Grid 14 Limited.

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
Net assets		
Current assets	121.77	-
Non-current assets	3,576.81	-
Current liabilities	(750.70)	-
Non-current liabilities	(3,060.59)	-
	(112.71)	**-**
Equity investments (unquoted):		
Proportion of the Group's ownership	50.00%	
Carrying amount of the investment	(56.35)	-
Consolidation adjustments	(19.59)	
Investment in joint venture*	**(75.94)**	**-**
Statement of profit and loss		
Revenue from operations	-	-
Finance cost	(91.46)	-
Finance income	0.32	-
Other expense	(5.31)	-
Loss before tax	(96.45)	-
Income tax	(1.68)	-
Loss for the year	**(98.13)**	**-**
Total comprehensive income for the year	**(98.13)**	**-**
Group's share of loss for the year	(49.06)	
Consolidation adjustments	(47.49)	
Net share of loss for the year	**(96.55)**	**-**

Note v

Investment in Sterlite Grid 18 Limited has been classified as investment in joint venture which is engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. Refer note 46. The Group's interest in the Sterlite Grid 18 Limited is accounted using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in Sterlite Grid 18 Limited.

(₹ in million)

	31 March 2022	31 March 2021
Net assets		
Current assets	854.79	-
Non-current assets	17,952.58	-
Current liabilities	(2,024.25)	-
Non-current liabilities	(16,984.74)	-
	(201.62)	**-**
Equity investments (unquoted):		
Proportion of the Group's ownership	50.00%	
Carrying amount of the investment	(100.81)	-
Consolidation adjustments	(203.69)	
Investment in joint venture*	**(304.50)**	**-**
Statement of profit and loss		
Revenue from operations	-	-
Finance cost	(483.87)	-

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
Finance income	1.58	-
Other expense	(21.15)	-
Loss before tax	(503.44)	-
Income tax	(4.21)	-
Loss for the year	**(507.65)**	-
Total comprehensive income for the year	**(507.65)**	-
Group's share of loss for the year	(253.83)	
Consolidation adjustments	(594.05)	
Net share of loss for the year	**(847.88)**	-

Note vi

Investment in Sterlite Grid 29 Limited has been classified as investment in joint venture which is engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. Refer note 46. The Group's interest in the Sterlite Grid 29 Limited is accounted using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in Sterlite Grid 29 Limited.

(₹ in million)

	31 March 2022	31 March 2021
Net assets		
Current assets	360.58	-
Non-current assets	7,002.56	-
Current liabilities	(635.39)	-
Non-current liabilities	(6,233.59)	-
	494.16	-
Equity investments (unquoted):		
Proportion of the Group's ownership	50.00%	
Carrying amount of the investment	247.08	-
Consolidation adjustments	(8.14)	
Investment in joint venture	**238.94**	-
Statement of profit and loss		
Revenue from operations	-	-
Finance cost	(279.76)	-
Finance income	0.42	-
Other expense	(15.37)	-
Loss before tax	(294.71)	-
Income tax	(2.03)	-
Loss for the year	**(296.74)**	-
Total comprehensive income for the year	**(296.74)**	-
Group's share of loss for the year	(148.37)	
Consolidation adjustments	(158.13)	
Net share of loss for the year	**(306.50)**	-

** As the share in net assets of the joint ventures is negative, the investment is shown at Nil value.*

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

As explained in note-56(b), during the year ended March 31,2022, some of the subsidiaries of the Group viz. Sterlite Grid 14 Limited (immediate holding company of Udupi Kasargode Transmission Limited), Sterlite Grid 18 Limited (immediate holding company of Lakadia-Vadodara Transmission Project Limited) and Sterlite Grid 29 Limited (immediate holding company of Goa Tamnar Transmission Project Limited) which are engaged in constructing and developing power transmission projects on Build, Own, Operate and Maintain ('BOOM') basis became joint ventures. In the earlier years, the assets, liabilities, income and expenses of these subsidiaries were consolidated on a line by line basis and the intercompany transactions with these subsidiaries (including sale of goods/services, etc) and the intercompany balances (including trade receivables and trade payables) were eliminated in the consolidated financial statements. Since these subsidiaries became joint ventures, these are accounted for using the equity method of accounting. Accordingly, transactions with these joint ventures and the related balances are not eliminated from the consolidated financial statements of the Group. Only the unrealised gains/losses to the extent of Group's share in these joint ventures are eliminated (refer note 2.3 for the accounting policy adopted by the Group in this regard). As a result, the amounts for the year ended March 31, 2022 may not be comparable with the earlier years.

As on March 31, 2022, the joint ventures have outstanding capital commitment for construction of Transmission lines, net of advances as mentioned below:

Lakadia Vadodara Transmission Project Limited: ₹ 2,166.13 Million (31 March 2021: ₹ 9,270.56 million)

Mumbai Urja Marg Limited: ₹ 15,010.25 million (31 March 2021: ₹ 17,765.98 million)

Udupi Kasargode Transmission Limited: ₹ 3,583.32 million (31 March 2021: ₹ 5,006.63 million)

Goa-Tamnar Transmission Project Limited: ₹ 5,715.85 million (31 March 2021: ₹ 6,392.84million)"

NOTE 5B: INVESTMENTS

(₹ in million)

	31 March 2022	31 March 2021
NON CURRENT		
Investments in units- quoted (valued at fair value through profit and loss account)		
India Grid Trust (refer note 10a)		
Nil units (March 31, 2021: 20,40,457 units)	-	286.15
Investments in equity shares- unquoted (valued at fair value through other comprehensive income)		
Others		
Sharper Shape Group Inc.		
26,505 (March 31, 2021: 26,505) equity shares of USD 0.01 each fully paid up	112.45	112.45
Investment in non-convertible debentures (unquoted) (valued at amortised cost)##		
Sterlite Grid 13 Limited		
15,15,74,650 (31 March 2021-10,07,88,150) 12.30% Non- convertible debentures of face value of ₹ 10 each	1,506.77	1,007.88
Sterlite Grid 14 Limited		
5,14,25,101 (March 31, 2021: Nil) 12.30% Non- convertible debentures of face value of ₹ 10 each	531.52	-
Sterlite Grid 18 Limited		
20,10,48,052 (March 31, 2021: Nil) 12.30% Non- convertible debentures of face value of ₹ 10 each	2,252.29	-
Sterlite Grid 29 Limited		
13,13,95,681 (March 31, 2021: Nil) 12.30% Non- convertible debentures of face value of ₹ 10 each	1,453.82	-
Investment in compulsorily-convertible debentures (unquoted) (valued at fair value through profit or loss)		
Sterlite Grid 18 Limited		
50,50,250 (31 March 2021: Nil) 0.01% Compulsorily convertible debentures of face value of ₹ 10 each	50.50	-
Sterlite Grid 29 Limited		
48,52,613 (31 March 2021: Nil) 0.01% Compulsorily convertible debentures of face value of ₹ 10 each	48.63	-

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
CURRENT		
Investment in mutual funds - quoted (valued at fair value through profit or loss)		
Nil units (March 31, 2021: 8,119.47 units) of Axis Liquid Fund direct plan - daily dividend #	-	9.07
Total	**5,955.98**	**1,415.55**
Current (equity)	**-**	**9.07**
Non-current (units)	**-**	**286.15**
Non-current (equity)	**112.45**	**112.45**
Non-current (non-convertible debentures)	**5,744.40**	**1,007.88**
Non-current (Compulsory -convertible debentures)	**99.13**	
Aggregate value of quoted investments (equity)	**-**	**9.07**
Aggregate value of quoted investments (units)	**-**	**286.15**
Aggregate value of unquoted investments (equity)	**112.45**	**112.45**
Aggregate value of unquoted investments (non-convertible debentures)	**5,744.40**	**1,007.88**
Aggregate value of unquoted investments (compulsorily-convertible debentures)	**99.13**	**-**

 # Units invested were marked as lien as on March 31, 2021

The Group has subscribed to the non convertible debentures issued by the joint ventures which are redeemable @ a premium of 12.30% per annum.

Investments at fair value through OCI reflect investment in unquoted equity securities. Refer Note 52 and Note 53 for determination of their fair values.

NOTE 6: LOANS (UNSECURED, CONSIDERED GOOD)

(₹ in million)

	31 March 2022	31 March 2021
CURRENT		
Loans to related parties (refer note 55)*	35.52	302.53
Total	**35.52**	**302.53**

**The Group had unsecured loan receivable amounting to ₹ Nil (March 31, 2021: ₹ 207.35 million) (including accumulated interest accrued) from Sterlite Power Technologies Private Limited ('SPTPL') repayable on demand and carrying annual interest rate equivalent to interest rates on 1 year domestic bulk deposits. The same has been recovered by the Group subsequent to year ended March 31, 2021. Further, during the year the group has given unsecured loan to SPTPL amounting to ₹ 35.52 (March 31, 2021: Nil) (including accumulated interest accrued) carrying interest at the rate of 11% p.a. and is repayable within 1 year.*

Unsecured loan to Sterlite Technologies Limited (STL) amounting to ₹ Nil (March 31, 2021: ₹ 95.18 million) (including accumulated interest accrued) carried interest @ 10% p.a. and was repayable on demand. The same has been recovered by the Group during year ended March 31, 2022.

Break up of loans and advances in the nature of loans as at year end:

	March 31, 2022		March 31, 2021	
	Amount of loan and advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans	Amount of loan and advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	35.52	100%	302.53	100%

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 7: TRADE RECEIVABLES

(₹ in million)

		31 March 2022	31 March 2021
(i)	**Non-current**		
	Trade receivables	701.85	592.08
	Total	**701.85**	**592.08**
	Break-up for security details:		
	- Unsecured, considered good	-	-
	- Unsecured, credit impaired receivables	701.85	592.08
		701.85	**592.08**
	Impairment allowance (allowance for bad and doubtful debts)		
	- Unsecured, considered good	-	-
	- Unsecured, credit impaired receivables	701.85	592.08
	Total non-current trade receivables	**-**	**-**
(ii)	**Current**		
	Other trade receivables	6,935.99	6,213.01
	Receivables from other related parties (refer note 55)	6,668.30	17.11
	Total	**13,604.29**	**6,230.12**
	Break-up for security details:		
	- Unsecured, considered good	13,604.29	6,230.12
	- Unsecured, credit impaired receivables	-	-
		13,604.29	**6,230.12**
	Total current trade receivables	**13,604.29**	**6,230.12**

Ageing of current trade receivables

₹ in million

Particulars	Outstanding for following periods from due date of payment						
	Amount not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022							
Undisputed Trade receivables – considered good*	6,494.37	6,186.08	369.94	234.87	84.43	234.60	13,604.29
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	64.93	9.04	239.05	5.27	383.57	701.85
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Impairment allowance - on credit impaired trade receivables	-	-	-	-	-	-	-
Total	**6,494.37**	**6251.01**	**378.97**	**473.92**	**89.70**	**618.17**	**14,306.14**
As at March 31, 2021							
Undisputed Trade receivables – considered good	5,285.20	325.13	71.08	139.85	392.65	16.21	6,230.12
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	17.46	22.54	28.30	26.10	497.68	592.08

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

₹ in million

Particulars	Outstanding for following periods from due date of payment						
	Amount not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Impairment allowance - on credit impaired trade receivables	-	-	-	-	-	-	-
Total	**5,285.20**	**342.59**	**93.62**	**168.15**	**418.75**	**513.89**	**6,822.20**

** No due date of payment is specified for trade receivables pertaining to joint ventures hence the ageing has been considered from the date of the transaction.*

There are no outstanding trade or other receivable which are due from directors or other officers of the group 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.
Trade receivable includes retention money deducted by customers to ensure performance of the Group's obligations and hence are receivable on the completion of contracts and accordingly no discounting has been done for the same.

Trade receivables are non-interest bearing and credit period varies as per the contractual terms with the customers.

Refer note 50 on credit risk of trade receivables, which explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

NOTE 8: OTHER FINANCIAL ASSETS

(₹ in million)

	31 March 2022	31 March 2021
Non-current		
Security deposits (unsecured, considered good) (refer note 55)	66.56	114.42
Other bank balance (refer note 13)	859.84	1,561.44
Total other non-current financials assets	**926.40**	**1,675.86**
Current		
Security deposits (unsecured, considered good)	41.49	39.44
Advances recoverable in cash (unsecured, considered good) (refer note 55)	28.40	71.56
Unbilled revenue ##	4.83	88.63
Interest accrued on fixed deposits	29.06	8.66
Receivable from related parties (unsecured, considered good) (refer note 55)	95.20	37.83
Receivable from India Grid Trust for sale of investments (unsecured, considered good)	1,237.67	379.66
Earnest money deposit with customer (unsecured, considered good)	40.63	24.40
	1,477.28	650.18
Derivative instruments at fair value through OCI		
- Commodity future contracts	522.69	1,173.86
	522.69	1,173.86
Total other current financial assets	**1,999.97**	**1,824.04**

Security deposits are non-derivative financial assets and are refundable in cash. These are measured based on effective interest method.

Advances recoverable in cash are non-derivative financial assets. These contain other costs incurred as part of project execution which are recoverable on actual basis.

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Earnest money deposit from customers are non-derivative financial assets and are refundable in cash. These are measured based on effective interest method.

Derivative instruments reflect the change in fair value of foreign exchange forward contracts and commodity futures, designated as cash flow hedges to hedge highly probable forecasts / firm commitments for foreign currency sales and purchases and foreign currency receivables and payables in US Dollars (USD) and Euros (EUR).

Receivables from related parties are non-derivative financial assets and are refundable in cash.

Unbilled revenue pertain to unbilled revenue for the month of March 31, 2022 amounting to ₹ Nil (March 31, 2021: ₹ 88.63 million) billed to transmission utilities.

NOTE 9: OTHER ASSETS

(₹ in million)

	31 March 2022	31 March 2021
Non- current		
Capital advances (unsecured, considered good)	3,029.49	400.11
Concession contract assets*	14,936.96	1,006.15
Balances with government authorities	335.09	642.74
Prepaid expenses	41.01	55.12
Deposits paid with government authorities under tax litigation (refer note 41)	78.14	69.66
Others	10.61	-
Total other non-current assets	**18,431.30**	**2,173.78**
Current		
Advances to vendors/contractors (unsecured, considered good)	950.77	2,045.66
Balances with government authorities	1,862.67	1,721.35
Prepaid expenses	312.60	167.86
Contract assets related to EPC contracts (refer note 24)	977.84	1,438.35
Concession contract assets*	1,431.38	-
Others	2.27	3.19
Total other current assets	**5,537.53**	**5,376.41**

**Movement of concession contract assets can be summarized as follows:*

(₹ in million)

	31 March 2022	31 March 2021
Opening balance	**1,006.15**	**5,879.85**
Revenue from construction of concession assets	12,182.06	1,263.92
Remuneration of the concession assets	1,461.93	710.99
Assets sold during the year	(7.34)	-
Write - off contractual assets (RAP)	422.23	(389.60)
Asset held for sale (refer note 10)	(1,179.90)	(5,698.97)
Reversal of asset previously held for sale (refer note 13)	293.69	-
Impact of foreign currency conversion	2,189.51	(760.04)
Closing balance	**16,368.34**	**1,006.15**
Current	**1,431.38**	**-**
Non-current	**14,936.96**	**1,006.15**

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 10: ASSETS AND LIABILITIES HELD FOR SALE

Ind AS -105 Non Current Assets Held for Sale and Discontinued Operations requires a disposal group to be identified as held for sale if the carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the disposal group must be available for immediate sale in its present condition and the sale must be highly probable. Based on the assessment performed by the management, it has been determined that the disposal groups as above should be disclosed as held for sale under Ind AS. Consequently the assets and liabilities of the disposal groups held for sale have been presented separately from the other assets and other liabilities respectively in the balance sheet.

Following assets and liabilities are classified as held for sale as at March 31, 2022 and as at March 31, 2021:

(₹ in million)

	31 March 2022	31 March 2021
Indigrid Investment Managers Limited (refer note 10(a))		
Investment in equity shares		
Nil shares (March 31, 2021: 8,74,729 shares)	-	21.01
Total	**-**	**21.01**

(₹ in million)

	31 March 2022	31 March 2021
NER-II Transmission Limited (refer note 37)		
Investment in equity shares		
Nil shares (March 31, 2021: 6,03,829 shares)	-	834.36
Total	**-**	**834.36**
Assets classified as held for sale - non-current		
Assets classified as held for sale - current	**-**	**855.37**

For the financial year ended March 31, 2022:

"The Group has entered into an framework agreement dated April 30, 2019 and amendment dated August 28, 2020, with India Grid Trust pursuant to which the investment of the Group in net assets of its subsidiary Khargone Transmission Limited (referred to as 'Disposal Group I') at values agreed in the Framework agreement subject to certain adjustments and the requisite approvals. Since project has been commissioned during the year, it is highly probable that company will realise it's value through sale rather than continue to use. Therefore net assets held in the Khargone transmission limited has been classified as held for sale.

The Group has entered into a Share Purchase agreement with Vinci Energeia Fundo De Investment EM Participacoes Infrastructura and Cymi Construcoes Participacoes S.A. for selling its stake in Vineyards Participacoes S.A. (referred to as 'Disposal Group II') at values as agreed in the Share Purchase agreement subject the requisite approvals.

(₹ in million)

	Disposal Group I	Disposal Group II	Total
Assets			
- Non-current assets	-	-	-
- Current assets	15,822.81	7,615.04	23,437.85
Liabilities			-
- Non-current liabilities	-	-	-
- Current liabilities	12,025.50	8,648.71	20,674.21

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Break up of assets and liabilities of Disposal Group I and Disposal Group II as at March 31, 2022:

(₹ in million)

	Disposal Group I	Disposal Group II	Total
Assets			
Property, plant and equipment	14,899.94	-	14,899.94
Capital work-in-progress	15.95	-	15.95
Trade receivable	289.78	84.42	374.20
Cash and cash equivalents	203.09	841.31	1,044.40
Bank balances other than cash and cash equivalents	240.55	-	240.55
Concession infrastructure - contract asset	-	6,639.51	6,639.51
Taxes receivable	-	39.84	39.84
Prepaid expenses	-	8.39	8.39
Other financial assets	159.93	-	159.93
Other assets	12.30	-	12.30
Deferred tax assets	-	1.57	1.57
Income tax assets	1.27	-	1.27
Total assets held for sale	**15,822.81**	**7,615.04**	**23,437.85**
Liabilities			
Accounts payable	27.62	146.51	174.13
Borrowings	11,930.77	7,634.18	19,564.95
Other financial liabilities	31.77	1.35	33.12
Others liabilities	12.98	11.42	24.40
Deferred Pis and Cofins taxes	-	611.56	611.56
Deferred tax liabilities	22.36	243.68	266.05
Total liabilities held for sale	**12,025.50**	**8,648.71**	**20,674.21**

For the financial year ended March 31, 2021:
"The Group has entered into a Share Purchase agreement with Vinci Energeia Fundo De Investimento EM Participacoes Infraestrutura and Cymi Construcoes Participacoes S.A. for selling its stake in Vineyards Participacoes S.A. (referred to as Disposal Group I) and Dunas Transmissao De Energeia S.A. (referred to as Disposal Group II) respectively, at values as agreed in the Share Purchase agreement subject the requisite approvals.

During the previous financial year ended March 31, 2021, the Group intended to sell São Francisco Transmissão de Energia S.A. (referred to as Disposal Group III) and Marituba Transmissão de Energia S.A (referred to as Disposal Group IV) for which the board of directors of the holding Company had passed the necessary resolutions and the sale of entities was considered as highly probable by the management. Hence, the assets and liabilities pertaining to these entities were classified as held for sale.

(₹ in million)

	Disposal Group I	Disposal Group II	Disposal Group III	Disposal Group IV	Total
Assets					
- Non-current assets	-	-	-	-	-
- Current assets	5,761.47	164.49	57.84	295.36	6,279.16
Liabilities					-
- Non-current liabilities	-	-	-	-	-
- Current liabilities	4,466.67	48.79	57.84	38.21	4,611.52

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Break up of assets and liabilities of Disposal Group I and Disposal Group II as at March 31, 2021:

(₹ in million)

	Disposal Group I	Disposal Group II	Disposal Group III	Disposal Group IV	Total
Assets					
Accounts receivable	38.80	-	-	-	38.80
Cash and cash equivalents	1,012.64	0.73	0.90	0.40	1,014.66
Advances to suppliers	19.13	11.98	13.94	11.30	56.35
Concession infrastructure - contract asset	4,660.22	349.06	318.59	371.10	5,698.97
Taxes receivable	21.12	1.98	6.70	2.37	32.17
Prepaid expenses	5.68	3.48	2.21	1.60	12.97
Other assets	3.88	7.83	4.97	2.80	19.48
Deferred tax assets	-	1.07	12.32	-	13.39
Difference between carrying amount and fair value less costs to sell	-	(211.64)	(301.79)	(94.21)	(607.64)
Total assets held for sale	**5,761.47**	**164.47**	**57.84**	**295.36**	**6,279.16**
Liabilities					
Accounts payable	127.67	16.43	20.79	1.62	166.51
Borrowings	3,657.82	-	-	-	3,657.82
Other financial liabilities	0.01	-	-	-	0.01
Employee benefit & social obligation	11.71	-	7.01	0.02	18.74
Regulatory charges	2.39	-	-	-	2.39
Others liabilities	1.59	0.07	0.57	0.01	2.25
Deferred Pis and Cofins taxes	470.88	32.29	29.47	34.33	566.97
Deferred tax liabilities	194.60	-	-	2.23	196.83
Total liabilities held for sale	**4,466.66**	**48.79**	**57.84**	**38.21**	**4,611.52**

(a) Sale of shares held in Indigrid Investment Managers Limited (IIML)[formerly known as Sterlite Investment Managers Limited]

Pursuant to “Share Subscription and Purchase Agreement” executed between Electron IM PTE. LTD ('EIMPT') and the Company on April 30, 2019, the Group had to sell 74% of its stake in its subsidiary IIML in two tranches starting from June 30, 2019 till June 30, 2021. In the previous year, the Group had sold 60% of its stake in IIML for a consideration of ₹ 60.05 million. The remaining 14% stake in IIML i.e. ₹ 21.01 million, disclosed as asset held for sale in the previous financial year ended March 31, 2021, is sold during the current year ended March 31, 2022 by the Group for a consideration of ₹ 109.96 million and recognised gain on sale of investment of ₹ 88.95 million in statement of profit and loss account. During the current year, the Group has executed and amendment agreement to “Share Subscription and Purchase Agreement” dated January 13, 2022. Pursuant to this agreement, the Company has sold its balance stake of 26% for an consideration of ₹ 250 million and recognised gain of ₹ 211 million in statement of profit and loss account.

(b) Sale of units in India Grid Trust

Erstwhile Sterlite Power Grid Ventures Limited ('SPGVL') now merged with Sterlite Power Transmission Limited ('SPTL'), being the sponsor of India Grid Trust ('IGT'), entered into “Inter-se sponsor agreement” dated April 30, 2019 ('the Inter-se Agreement') with Esoteric II Pte. Ltd. ('the Investor') to designate the investor as a 'Sponsor' of IGT subject to approval under the SEBI (Infrastructure Investment Trusts) Regulations, 2016. Pursuant to the Inter-se Agreement, SPGVL agreed to sell 60.03 million units (‘the Units’) of IGT to the Investor at ₹ 83.89 per unit. On September 24, 2019, SPGVL and Sterlite Interlinks Limited (‘SIL’) entered into a Unit transfer agreement (‘Unit Transfer Agreement’) for sale of the Units by SPGVL to SIL and consequently SPGVL, the Investor and SIL entered into an amendment agreement dated September 25, 2019 amending the Inter-se Agreement to include clauses for Unit Transfer Agreement and sale of 87.45 million units by SIL to the Investor. Pursuant to the Unit Transfer Agreement, SIL had given an interest bearing advance to erstwhile SPGVL of ₹ 6,200.00 million for the purchase of the Units. The Units were owned by erstwhile SPGVL as at March 31, 2020 and were pledged as security, basis which SIL raised funds from its lenders. Accordingly, the advance was presented under short term borrowings as at March 31, 2020 (refer note 17) and investment in the Units was classified as asset held for

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

sale. On August 3, 2020, the parties terminated the Inter-se Agreement. Further, on August 14, 2020, SPTL sold 85.51 million units of IGT in open market through March 31, 2020 Stock Exchange ('NSE') at an average price of ₹ 98 per unit. Accordingly, the Group has classified the balance units of IGT as non-current investments and has also reversed impairment loss of ₹ 954.98 million recognised in earlier year. Further, other income for the year ended March 31, 2021 includes net gain of ₹ 213.92 million on sale of IGT units.

NOTE 11: INVENTORIES

(₹ in million)

	31 March 2022	31 March 2021
(Valued at lower of cost and net realisable value)		
Raw materials and components (includes stock in transit ₹ 51.49 million (March 31, 2021: ₹ 692.36 million))	809.56	1,873.92
Work-in-progress	340.83	205.64
Finished goods (includes stock in transit ₹ 175.38 million (March 31, 2021: ₹ 451.22 million))	497.42	762.44
Construction material (includes stock in transit ₹ 302.77 million (31 March 2021: ₹ 412.72 million)	309.98	7.22
Traded goods	11.20	58.21
Stores, spares, packing materials and others	238.19	180.40
Total	**2,207.18**	**3,087.83**

NOTE 12: CASH AND CASH EQUIVALENTS

(₹ in million)

	31 March 2022	31 March 2021
Balances with banks:		
On current accounts	10,112.86	3,570.10
Deposit with original maturity of less than 3 months	1,362.69	3,141.06
Cash in hand	0.03	0.03
Total	**11,475.58**	**6,711.19**

NOTE 13: OTHER BANK BALANCES

(₹ in million)

	31 March 2022	31 March 2021
Deposits with original maturity for more than 12 months*	859.84	1,561.44
Deposits with original maturity for more than 3 months but less than 12 months*	1,437.26	3,041.43
Escrow account	587.69	-
	2,884.79	**4,602.87**
Amount disclosed under other non-current financial assets	(859.84)	(1,561.44)
Total	**2,024.95**	**3,041.43**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between three months and twelve months, depending on the immediate cash requirements of the group, and earn interest at the respective short-term deposit rates.

** Held as lien by banks and lien with Government authorities.*

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 14: EQUITY SHARE CAPITAL

Authorised shares (nos. million)*	Nos. in million	₹ in million
Authorised share capital as on 01 April 2020	6,380.00	12,760.00
Increase / (Decrease) in authorised share capital	-	-
Authorised share capital as on 31 March 2021	**6,380.00**	**12,760.00**
Increase / (Decrease) in authorised share capital on merger (refer note 56)	0.25	0.50
Authorised share capital as on 31 March 2022	**6,380.25**	**12,760.50**
Issued, subscribed and fully paid-up shares (nos. million)		
61.18 ((March 31, 2021: 61.18) equity shares of ₹ 2 each fully paid - up.	122.36	122.36
Total issued, subscribed and fully paid-up share capital	**122.36**	**122.36**

** Authorised share capital has been disclosed after considering the impact of merger order. (refer note 56(c))*

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	Nos. in million	₹ in million
At April 01, 2020	**61.18**	**122.36**
Add: Movement during the year	-	-
At March 31, 2021	**61.18**	**122.36**
Add: Movement during the year	-	-
At March 31, 2022	**61.18**	**122.36**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends 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.

The Company has interim declared dividend of ₹ 5.75 per share (March 31, 2021: ₹ Nil per share).

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 shareholders.

The shareholding information is based on the legal ownership of shares and has been extracted from the record of the Company including register of shareholder/ member.

c. Shares held by Holding Company and their subsidiaries/associates:

	31 March 2022		31 March 2021	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	43.67	71.38%	43.67	71.38%
Subsidiary of Volcan Investments Limited, Bahamas				
[Ultimate holding company]				
Vedanta Limited	0.95	1.56%	0.95	1.56%

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

d. Detail of shareholders holding more than 5 % of shares in the Company

	31 March 2022		31 March 2021	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	43.67	71.38%	43.67	71.38%

e. Detail of shareholding of Promoters

Name of the promoters	31 March 2022				
	No. of shares in million at the beginning	Change	No. of shares in million at the end	% of Total shares	% Change during the year
Twin Star Overseas Limited, Mauritius					
Equity shares at ₹ 2 each fully paid up	43.67	-	43.67	71.38%	-
Total	**43.67**	**-**	**43.67**	**71.38%**	**-**

Name of the promoters	March 31, 2021				
	No. of shares in million at the beginning	Change	No. of shares in million at the end	% of Total shares	% Change during the year
Twin Star Overseas Limited, Mauritius					
Equity shares at ₹ 2 each fully paid up	43.67	-	43.67	71.38%	-
Total	**43.67**	**-**	**43.67**	**71.38%**	**-**

NOTE 15: OTHER EQUITY

(₹ in million)

	31 March 2022	31 March 2021
Securities premium		
Balance at the beginning of the year	4,536.80	4,536.80
Add: Movement during the year	-	-
Closing balance	**4,536.80**	**4,536.80**
Retained earnings		
Balance at the beginning of the year	4,372.21	(5,629.78)
Add: Net profit for the year	4,401.42	8,697.74
Less: Remeasurement of post employment benefit obligation, net of tax	(10.39)	(3.40)
Less: Amount transferred to debenture redemption reserve	-	(200.00)
Add: Amount transferred from debenture redemption reserve	200.00	-
Less: Appropriation for interim dividend paid	(324.26)	-
Add: Balance transferred from capital redemption reserve	-	1,543.65
Less: Transfer to capital redemption reserve	-	(36.00)
Net surplus in the statement of profit and loss	**8,638.98**	**4,372.21**
Other reserves		
Debenture redemption reserve		
Balance at the beginning of the year	200.00	-
Add: Amount transferred from retained earnings	(200.00)	200.00

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
Closing balance	**-**	**200.00**
Cash flow hedge reserve		
Balance at the beginning of the year	769.98	(1,548.18)
Add: Cash flow hedge reserve created on hedging contracts	2,509.50	2,178.81
Less: Amount reclassified to retained earnings	1,676.34	(139.35)
Closing balance	**1,603.14**	**769.98**
Foreign currency translation reserve		
Balance at the beginning of the year	(2,514.25)	(1,860.20)
Less: Movement during the year	1,040.09	(654.05)
Closing balance	**(1,474.16)**	**(2,514.25)**
Capital redemption reserve		
Balance at the beginning of the year	36.02	1,543.67
Add: Movement during the year	-	(1,507.65)
Closing balance	**36.02**	**36.02**
Legal reserve		
Balance at the beginning of the year	172.13	172.13
Add: Movement during the year	-	-
Closing balance	**172.13**	**172.13**
Special unearned income reserve		
Balance at the beginning of the year	3,270.44	3,270.44
Add: Transferred from retained earnings	-	-
Closing balance	**3,270.44**	**3,270.44**
Capital reserve		
Balance at the beginning of the year	0.35	0.35
Add: Movement during the year	-	-
Closing balance	**0.35**	**0.35**
Total other reserves	**3,607.92**	**1,934.67**
Total other equity	**16,783.70**	**10,843.68**

Nature and purpose of reserves:

15.1 Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

15.2 Cash flow hedge reserve

The Group uses hedging instruments as part of its management of foreign currency risk associated with receivable and payable and commodity risk associated with purchase of aluminium and copper. For hedging commodity and foreign currency, the Group uses commodity future and foreign currency forward contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects statement of profit or loss.

15.3 Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

15.4 Legal reserve

Brazilian subsidiaries of the Group recognise 5% of net profit for the year subject to 20% of capital, before any allocation, as legal reserve. The same is not available for distribution.

15.5 Special unearned income reserve

The special unearned income reserve includes unrealised profit on construction of concession assets. The same is not available for distribution.

15.6 Capital redemption reserve

During the year ended March 31, 2020, erstwhile wholly owned subsidiary of the Sterlite Power Transmission Limited ('SPTL'), Sterlite Power Grid Ventures Limited ('SPGVL') redeemed 154.36 million redeemable preference shares of face value of ₹ 10 each which were issued to SPTL and created capital redemption reserve of ₹ 1,543.65 million as per the requirement of section 69 of the Companies Act, 2013.

Subsequently, National Company Law Tribunal ('NCLT') approved the scheme of amalgamation ('the Scheme') of SPGVL with SPTL from an appointed date of 1 April 2017 ("Appointed date") which was filed with the Registrar of Companies on 15 November 2020 ("Effective date"). Since the merger of SPGVL with SPTL takes effect from the Appointed date, the capital redemption reserve of ₹ 1,543.65 million which was created on redemption of redeemable preference shares after Appointed date but before the Effective date of the Scheme has been transferred to retained earnings based on a legal opinion obtained by the management and the shareholders approval obtained in the AGM for financial year ended March 31, 2020.

During the financial year ended March 31, 2021, the Group had redeemed 18 million redeemable preference shares of face value of ₹ 2 each issued to Clix Finance India Private Limited. Accordingly, the Group created capital redemption reserve of ₹ 36 million in compliance of Section 69 of the Companies Act, 2013.

15.7 Debenture Redemption Reserve (DRR)

The Group had issued non convertible debentures carrying a coupon rate of 10.25% issued to Catalyst Trusteeship Limited. Accordingly, the Group created debenture redemption reserve of ₹ 200.00 million in compliance with section 71(4) of the Companies Act 2013.

NOTE 15A: DISTRIBUTION MADE AND PROPOSED

(₹ in million)

	31 March 2022	31 March 2021
Dividends on Equity shares declared and paid:		
Interim dividend for the year ended on 31 March 2022: ₹ 5.75 per share (31 March 2021: ₹ Nil per share.)	324.26	-
	324.26	-

Dividend amounting to ₹ 6.29 million (31 March 2021: ₹ Nil) is unclaimed and outstanding as on 31 March 2022. (refer note 19)

NOTE 16: LONG TERM BORROWINGS

(₹ in million)

	31 March 2022	31 March 2021
NON-CURRENT		
Non-convertible debentures (secured) (Refer note I)		
7,95,500 (March 31, 2021: Nil) Non-convertible debentures of BRL 1,000 each.	12,923.38	-
Non-cumulative redeemable preference shares (secured) (refer note V)		
8.81 million (March 31, 2021: Nil) 15% Non-cumulative redeemable preference shares	88.05	-
Term loans (refer note II)		
Indian rupee loans from banks (secured)	-	8,396.14
Indian rupee loans from financial institutions (secured)	987.59	8,390.14

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2022	31 March 2021
Loan from banks (secured)	1,901.26	-
Local bills discounting and acceptances (secured)	-	2,470.00
Total non-current borrowings	**15,900.28**	**19,256.28**
The above amount includes		
Secured borrowings	15,900.28	19,256.28
Unsecured borrowings	-	-
Current maturities		
Term loans (secured) (refer note I)		
Indian rupee loans from banks	-	40.00
Indian rupee loans from financial institution	375.00	665.91
Interest accrued on term loans	1.05	0.18
Total current maturities	**376.05**	**706.09**
The above amount includes		
Secured borrowings	376.05	706.09
Unsecured borrowings	-	-
	376.05	**706.09**
Amount disclosed under the head "Short-term borrowings" (note 17)	376.05	706.09
Net amount	**-**	**-**

Notes:

I. Non-convertible debentures

A) Solaris Transmissão de Energia S.A.

The Company carried out the first issue of 1,50,000 non convertible debentures issued at the face value of BRL 1,000 each in December 2021, composed of principal and interest secured by way of real guarantee and additional personal guarantee issued to the lender. These non convertible debentures are repayble in 44 semi-annual instalments beginning after the end of moratorium period of 25 months beginning from the date of issue of the non convertible debentures by the Company. The first instalment is due on February 2024 and the last in February 2045. These non convertible debentures carries an interest rate of IPCA rate + 6.40% p.a

B) GBS Participacoes S.A. (Formerly known as Borborema Participacoes S.A.)

The Company carried out the first issue of 5,95,500 non convertible debentures issued at the face value of BRL 1,000 each in March 2022, composed of principal and interest, and are secured by way of real guarantee and additional personal guarantee. These non convertible debentures are repayable in 43 Half yearly instalments beginning after the end of the moratorium period of 12 months beginning from the date of issue of the non convertible debentures by the Company. The first installment is due on March 2023 and the last on September 2043. These non convertible debentures carries an interest rate of IPCA rate + 7.2731% p.a.

C) Borborema Transmissão de Energia S.A.

The Company carried out the first issue of 50,000 non convertible debentures issued at the face value of BRL 1,000 each in November 2021, composed of principal and interest, and are secured by way of real guarantee and additional personal guarantee. These non convertible debentures are repayable in 43 semi-annual instalments beginning after the end of the moratorium period of 28 months, beginning from the date of issue of the non convertible debentures by the Company. The first installment is due on January 2024 and the last on January 2045. These non convertible debentures carries an interest rate of IPCA rate + 6.10% p.a.

II. Term loans

A) Sterlite Power Transmission Limited (SPTL)

i) India rupee term loan is availed under COVID-19 emergency line of credit from Union Bank of India. The term loan carries interest at the rate of 8% p.a. payable monthly. The term loan is to be repaid in 18 monthly instalments of ₹ 2.50 million after 6 months of moratorium period ending on February 2021 from date of disbursement.

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(All amounts in ₹ million unless otherwise stated)

The term loan is secured by:

a) First pari-passu charge by the way of hypothecation of stock and book debts;

b) Second pari-passu charge on movable fixed assets of the Company (present and future)

The loan has been repaid during the year ended March 31, 2022."

ii) The Indian rupee term loan from Clix Capital Services Private Limited carries interest at the rate of 11.75% p.a. payable monthly. Entire loan amount shall be repayable in two equal quarterly instalments starting from 3 months less than final maturity from the date of disbursement March 31, 2021 and at the end of final maturity i.e. December 31, 2020 and April 30, 2021 respectively.

The term loan is secured by:

a) First pari-passu charge over all present and future current assets of the borrower;

b) Second pari-passu charge over all present and future immovable and movable fixed assets of the borrower;

c) Demand promissory note

d) DSRA equivalent to 1 month interest ensuing interest service obligation

The loan has been repaid during the year ended March 31, 2022.

iii) The Indian rupee loan of ₹ 562.61 million from Arka Fincap Limited carries interest at the rate of 11.25% p.a. payable monthly. The loan amount shall be repayable in four semi annual installments from date of disbursement.

The loan is secured by:

a) First paripassu charge over all current assets of the Company, both present and future immovable and movable fixed assets of the Company

b) Second paripassu charge over all the movable and immovable assets of the Company
c) Interest service reserve (ISRA) of 1 months to be maintained in the form of FDs charged in favour of lender at all times during the tenor of the facility.

The Company has satisfied the covenants attached to the borrowings.

B) **Khargone Transmission Limited (KTL)**
Indian rupee term loans from banks and financial institutions of Nil (March 31, 2021: ₹ 10,971.18 million) carry interest rate of Nil% (March 31, 2021: 10.70% p.a. to 13.50% p.a.) (linked to the lead lenders benchmark rate with spread). 60% of total loan amount is repayable in 48 structured quarterly instalments post one year moratorium period in accordance with repayment schedule starting from October 31, 2021. Balance 40% of the total loan amount shall be repayable as a bullet repayment as a last instalment on July 31, 2033. The loan is secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of KTL in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of the Company in to and under all clearances pertaining to the project (including transmission license) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of KTL in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by pledge of 51% of share capital of KTL held by erstwhile Sterlite Grid 4 Limited voting rights of which do not fall below 51%.
KTL was required to ensure compliance of certain financial covenants, after completion of one financial year of full operations of the project, pertaining to maintenance of minimum debt service coverage ratio, debt equity ratio in respect of long term loans obtained from financial institutions. For the period ended March 31, 2021, the KTL was not required to comply with the said covenants.

C) **Goa Tamnar Transmission Project Limited (GTTPL)**
(i) Indian rupee term loan from financial Institutions carries interest at the rate of 10.75% p.a (Benchmark Rate +/- Spread). Total loan amount is repayable in 63 structured quarterly instalments post 6 months moratorium period in accordance with repayment

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schedule (tenure of 20 year). The loan together with interest, liquidated damages, fees, costs, charges, expenses and all other amounts is secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of the Company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of the Company in to and under all clearances pertaining to the project (including transmission license) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by at least 51% of equity share capital till final settlement date.

(ii) Domestic bill discounting amounting to Nil (March 31, 2021: ₹ 1,820.00 million) carried interest rate of Nil% p.a. (March 31, 2021: 7.10% to 9.50% p.a.). This facility had been sanctioned as a sublimit of the rupee term loan and carried same terms, conditions and securities as described above. This bills were due for maturity within 360 days and were to be converted in Rupee term loan on maturity. Hence, this had been classified under long term borrowings.

D) Lakadia Vadodara Transmission Project Limited (LVTPL)

(i) Indian rupee term loan from banks and financial institution carries interest rate in the range of 10.50% to 11.50% p.a. (benchmark Rate +/- Spread). Total loan amount is repayable to banks and financial institution (other than REC Limited) in 159 structured monthly instalments and to REC Limited in 237 structured monthly instalments post 6 months moratorium period in accordance with repayment schedule. The loan together with interest, liquidated damages, additional interest, fees, costs, charges, expenses and all other monies is secured by first charge on all the immovable properties pertaining to the project, tangible movable assets, current assets, revenue, receivables and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of the Company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of the Company in to and under all clearances pertaining to the project (including transmission license) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower under all insurance contracts and insurance proceeds pertaining to the project. Loan are also secured by pledge of 51% of the equity share capital and CCD of the Company.

(ii) Domestic bill discounting amounting to Nil (March 31, 2021: ₹ 650.00 million) carried interest rate of Nil% p.a. (March 31, 2021: 4.90% to 7.41% p.a.). This facility had been sanctioned as a sublimit of the rupee term loan and carried same terms, conditions and securities as described above. The bills were due for maturity within 360 days and were to be converted in Rupee term loan on maturity. Hence, this had been classified under long term borrowings.

E) Nangalbibra-Bongaigaon Transmission Limited (NBTL)

(i) Indian rupee term loan from financial institutions of ₹ 800.00 million carries interest rate of 9.25% p.a. (linked to the lenders prime lending rate – long term with spread). 75.10% of total loan amount is repayable in 75 structured quarterly instalments post one year moratorium period in accordance with repayment schedule starting from 31 March 2025. Balance 24.90% of the total loan amount shall be repayable as a bullet repayment as a last instalment on 30 September 2043. The loan is secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of the Company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied

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or supplemented from time to time; all rights, title, interest and benefits of the Company in to and under all clearances pertaining to the project (including transmission license) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by pledge of 51% of share capital of the Company held by Sterlite Grid 26 Limited voting rights of which do not fall below 51%.

The Company is required to ensure compliance of certain financial covenants, after completion of one financial year of full operations of the project, pertaining to maintenance of minimum debt service coverage ratio, debt equity ratio in respect of long term loans obtained from financial institutions.

For the period ended March 31, 2022, the Company is not required to comply with the said covenants.

F) **Borborema Transmissão de Energia S.A**

The Company signed the Guarantee Agreement ("CPG"), having as guarantors the following banks: Itaú Unibanco, Banco Santander (Brasil) and BTG. The Company has received 118.16 million BRL up to March 31, 2022, The interest rate for borrowing amounting to 105.19 million BRL is based on SAC amortisation with interest rate of 1.4541% and balance 13 million BRL based on Price amortisation with interest rate of IPCA + 1.7772%. The loan is repayable by way of bullet payment on December 15, 2040.

The Holding Company, or its Indian subsidiaries, associates and joint ventures have not been reported as wilful defaulter during the current year.

III. Redeemable preference shares

The preference shares carried 0.01% non-cumulative dividend. Holders of preference shares had a preferential right to receive their redemption value in precedence to holders' of equity shares in the event at liquidation.

(₹ in million)

	31 March 2022	31 March 2021
Authorised shares (nos. million)		
36.40 (March 31, 2021: 36.40) redeemable preference shares of ₹ 2 each	72.80	72.80
Issued, subscribed and fully paid-up shares (nos. million)		
Nil (March 31, 2021: Nil) cumulative redeemable preference shares of ₹ 2 each		
- Nominal Value	-	-
- Securities Premium	-	-
Terms/rights attached to preference shares		

Reconciliation of the preference shares outstanding at the beginning and at the end of the reporting period

	(Nos. in million)	Face value (₹ in million)
At April 01, 2020	18.00	36.00
Add: Movement during the period	-	-
At March 31, 2021	18.00	36.00
Add: Movement during the period	-	-
At March 31, 2022	-	-

IV. Optionally convertible redeemable preference shares

(₹ in million)

	31 March 2022	31 March 2021
Authorised shares (nos. million)		
470.00 (March 31, 2021: 470.00) optionally convertible redeemable preference shares of ₹ 10 each	4,700.00	4,700.00
Issued, subscribed and fully paid-up shares (nos. million)		

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Nil (March 31, 2021: Nil) optionally convertible redeemable preference shares of ₹ 10 each		
- Nominal value	-	-
- Securities premium	-	-

V. Non-cumulative redeemable preference shares

(₹ in million)

	31 March 2022
Authorised shares (nos. million)	200.00
20.00, 15% Non-Cumulative redeemable preference Shares of ₹ 10 each	
Issued, Subscribed and fully paid-up shares (nos. million)	88.05
8.81, 15% Non-Cumulative redeemable preference Shares of ₹ 10 each fully paid up	
Total issued, subscribed and fully paid-up share capital	**88.05**

b. Terms/rights attached to preference shares

Maharashtra Transmission Communication Infrastructure Limited ('MTCIL') has issued 8.81 million 15% non-cumulative, redeemable preference shares of face value of ₹ 10 each to Maharashtra State Electricity Transmission Co. Ltd. (MSETCL). The preference shares are redeemable at the end of 20 years from the date of issue and redeemable at ₹ 10 per share. The dividend rights are non-cumulative. The preference shares will carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend and repayment of capital in the event of a liquidation.

c. Details of shareholders holding more than 5% of shares in the company:

	31 March 2022	
	Nos. in million	% holding
Maharashtra State Electricity Transmission Co. Ltd. (MSETCL)	8.81	100.00%
	8.81	**100.00%**

As per section 55 of Companies Act 2013 Companies are required to create capital redemption reserve ('CRR') on redeemable preference shares if there are accumulated profits. The Company is not required to created CRR since there is accumulated losses as on 31 March 2022.

NOTE 17: SHORT TERM BORROWINGS

(₹ in million)

	31 March 2022	31 March 2021
Current maturities of long-term borrowings (refer note 16)	375.00	705.91
Interest accrued and not due on long-term borrowings (refer note 16)	0.17	0.18
Cash credit from banks (secured) (refer note 17(i))	-	1,299.34
Working capital demand loans from banks (secured) (refer note 17(ii))	-	1,766.46
Bridge loan from bank (refer note 17(iii))	3,259.84	-
Suppliers credit (secured) (refer note 17(iv))	289.24	144.26
Suppliers credit (unsecured) (refer note 17(v))	161.23	418.73
Other loans from banks and financial institutions (secured) (refer note 17(vi))	-	650.00
Non-convertible debentures (secured) (refer note 17(viii))	-	2,019.76
Loan from others (unsecured) (refer note 17(vii)) (refer note 55)	1,500.93	1,500.00
Total	**5,586.41**	**8,504.66**

Notes:

Notes to Consolidated Financial Statements

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(i) Cash credit from banks is secured by hypothecation of raw materials, work in progress, finished goods and trade receivables as primary charge and by hypothecation of movable as collateral charge. Some cash credit limits are also secured by way of second charge over immovable fixed assets and some are secured by hypothecation of entire current assets and receivables both present and future. The cash credit is repayable on demand and carries interest at 9.05% to 11.45% p.a. (March 31, 2021: 9.05% to 13.35% p.a.).

(ii) Working capital demand loans from banks are secured by hypothecation of raw materials, work in progress, finished goods and trade receivables as primary charge and by hypothecation of movable fixed assets as collateral charge. Some working capital demand loans are secured by hypothecation of entire current assets and receivables both present and future. Working Capital Demand Loan is generally taken for a period of less than 365 days and carries interest at 7.65% - 11.55% p.a. (March 31, 2021: 7.55% - 12.45% p.a.).

(iii) Bridge loan taken in Brazil from Banco Modal and Banco Alfa investimentos which is secured by pledge of shares/fiduciary rights of Marituba Transmission De Energia S.A. and hypothetication of escrow account maintained by the Company in respect of Novo Estado The loan was repayable within a period of 120 to 180 days and carried a rate of interest of CDI + (3.55%-4.50%), to a range between 8%-10%.

(iv) Secured suppliers' credit arrangements are secured by hypothecation of raw materials, work in progress, finished goods and trade receivables. Suppliers' credit is generally repaid after a period of six months where foreign currency suppliers credit carry interest @ Nil (31 March 2021: 1.20% - 3.28% p.a).(excluding hedging premium) and domestic suppliers credit carry interest @ 8.55 to 8.60% p.a (31 March 2021: 6.40% - 10.00% p.a.).

(v) Unsecured suppliers credit consists of financing of payable to MSME and other vendors with banks and is generally taken for a period of not more than 90 days. It carries interest @ 7.00% - 8.50% p.a.(31 March 2021: 8.25% - 9.50% p.a.).

(vi) Other loans from banks and financial institutions:

a) The Indian rupee loan of ₹ 500 million from Arka Fincap Limited carries interest at the rate of 12.50% p.a. payable quarterly. Entire loan amount shall be repayable as a bullet repayment on 30 September 2021.

The loan is secured by:

a) First exclusive charge over loans and advances extended by SPTL to any one or more intermediate holding Companies (SGLs) up to an amount of ₹ 750 million;

b) Interest service reserve (ISRA) of 3 months to be maintained in the form of FDs charged in favour of lender at all times during the tenor of the facility

The loan has been repaid during the financial year ended March 31, 2022.

b) The Indian rupee loan of ₹ 100 million from Aditya Birla Finance Limited ('ABFL') carries floating interest rate of 12.00% p.a. payable quarterly linked to ABFL long term reference rate. Entire loan amount shall be repayable as a bullet repayment at the end of 12 months from the date of disbursement.

The loan is secured by:

a) First pari-passu charge by way of hypothecation on borrower's current assets to be created and perfected within 120 days from the date of first disbursement;

b) Exclusive pledge of 20,39,880 units of India Grid Trust ("Indigrid Invit") (including charge on dividend/distribution received), held by borrower in demat form, providing a minimum facility cover of 2x for ABFL facility at all times.

c) Any dividend/ distribution received from the units by borrower shall be used to purchase ABSLMF's liquid/overnight debt MF units on the day/net day of such receipt, which shall be lien marked to ABFL. The MF units purchased shall be liquidated on the date of ABFL debt servicing, to service facility dues.

d) Interest service reserve account (ISRA) equivalent to interest servicing for 2 quarters

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to be created upfront as lien marked liquid/overnight debt MF units of ABSL mutual fund, to the satisfaction of ABFL

The loan has been repaid during the financial year ended March 31, 2022.

c) The Indian rupee loan of ₹ 50 million from Aditya Birla Finance Limited ('ABFL') carries floating interest rate of 12.00% p.a. payable quarterly linked to ABFL long term reference rate. Entire loan amount shall be repayable as a bullet repayment at the end of 12 months from the date of disbursement.

The loan is secured by:

a) First pari-passu charge by way of hypothecation on borrower's current assets to be created and perfected within 120 days from the date of first disbursement;

b) Interest service reserve account (ISRA) equivalent to interest servicing for 2 quarters to be created upfront as lien marked liquid/overnight debt MF units of ABSL mutual fund, to the satisfaction of ABFL.

The loan has been repaid during the financial year ended March 31, 2022.

(vii) Loan from others for ₹ 1,500.00 million (31 March 2021 ₹ 1,500.00 million) include from PTC Cables Private Limited with an interest rate between 9.50% p.a. (SBI MCLR + 250 Basis points). However, the Group can repay the partial or full amount to the lender with prior not less than 10 days irrevocable notice or the lender may ask for the repayment by giving 5 business days notice to the Group.

(viii) 10.25% Non-Convertible Debentures:

The Non- Convertible Debentures (NCD's) are issued in the form of INR denominated, secured, unlisted, unrated, senior, transferable, redeemable, non-convertible debt securities. NCD's carry coupon rate of 10.25% p.a. and shall be compounded, accrue, become due and payable in arrears, quarterly. The NCD's shall have a charge on the secured assets in accordance with provisions of debenture deed and other debentures documents.

The outstanding amounts shall be secured by:-

1) A first charge over the mortgaged properties in terms of mortgage documents

2) A first charge by way of pledge of:

a) 100% equity share capital of the issuer, on a fully diluted basis and

b) 49% share capital of the project companies on a fully diluted basis.

in terms of respective deeds of confirmations ranking pari passu inter se the Debenture Trustee and the Pari Passu Lender.

3) A first ranking exclusive fixed charge by way of hypothecation over the issue proceeds account and the DSRA and such other Escrow Accounts

4) A first fixed charge by way of hypothecation over:

a) All the loans and advances provided by SPGVL (now merged with SPTL) or provided by SPTL to the issuer, present and future;

b) All the current assets of the issuer, including all its receivables and unsecured loans and advances, provide by the issuer to Project SPV's Khargone Transmission Limited and NER II Transmission Limited.

c) The Escrow accounts (save and except the issue proceeds amount) opened/maintained by the issuer in terms of the applicable Escrow account agreement together with all amounts standing to the credit of each of the said Escrow accounts

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5) Corporate guarantee provided by the Corporate Guarantor in favour of the Debenture Trustee in terms of the Corporate Guarantee.
Since these NCD's are minimum period holding of 10 months from deemed date of allotment i.e. 7 December 2020, therefore it has been classified as short term borrowings.

During the year ended March 31, 2022 the group has repaid these NCD's.

NOTE 18: TRADE PAYABLES

(₹ in million)

	31 March 2022	31 March 2021
Current		
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	492.92	487.02
- total outstanding dues of creditors other than micro enterprises and small enterprises	16,195.32	5,747.38
Total	**16,688.24**	6,234.40
Current		
Trade payables (including acceptances)	13,285.65	4,073.08
Trade payables to related parties (refer note 55)	85.60	110.22
Operational suppliers credit from related parties (refer note 55)	3,316.99	2,051.10
Total	**16,688.24**	**6,234.40**

Ageing of trade payables

Particulars	Outstanding for following periods from due date of payment						
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022							
Billed dues							
(i) MSME	43.32	-	361.45	83.49	-	4.66	492.92
(ii) Others	12,339.41	392.28	1,578.93	420.68	856.71	607.29	16,195.32
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**12,382.73**	**392.28**	**1,940.39**	**504.17**	**856.71**	**611.95**	**16,688.24**
As at March 31, 2021							
Billed dues							
(i) MSME	309.26	-	117.48	50.29	6.80	3.18	487.02
(ii) Others	3,734.19	796.91	1,014.58	57.06	-	144.64	5,747.38
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**4,043.45**	**796.91**	**1,132.06**	**107.36**	**6.80**	**147.82**	**6,234.40**

a) Trade payables are non-interest bearing and are normally settled on 60-180 days terms

b) Operational supplier’s credit are availed in Indian Rupees at an interest rate of 7.50%-8.00% and is backed by standby letter of credit issued under working capital facilities sanctioned by domestic banks. Part of these facilities are secured by first pari passu charge over the present and future current assets of the Group.

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NOTE 19: OTHER FINANCIAL LIABILITIES

(₹ in million)

	31 March 2022	31 March 2021
Non-Current		
Purchase consideration payable (refer note 49)	130.00	
Employee benefit payable	36.70	-
Other liability	9.44	-
Total non-current financial liabilities	**176.14**	-
Current		
Derivative instruments fair value through OCI#		
Forward contracts	7.46	115.63
	7.46	**115.63**
Other financial liabilities at amortised cost		
Security deposits (refer note 55)	-	54.00
Interest free deposit from customers	2.20	3.30
Employee benefit payable	359.27	152.14
Interest accrued and not due on short term borrowings	351.83	260.71
Earnest money deposit from vendors	1.00	2.01
Payable for employee stock appreciation rights (refer note 45)	-	307.65
Payables for property plant & equipment*	474.34	7,618.73
Deferred revenue^	1,631.80	1,675.57
Purchase consideration payable (refer note 49)	100.00	-
Others$	121.13	208.72
Total	**3,049.03**	**10,398.46**

** Payables for purchase of property, plant and equipment are non-interest bearing and are normally settled on 30-120 days terms. It also includes the current maturities of long term payables for purchase of property, plant and equipment which have been valued at amortised cost. Payables with period allowed by the vendors are beyond normal credit terms have been measured at cash price equivalent and the differential amount is recognised as interest expense over the period of credit*

"# Derivative instruments reflect the change in fair value of foreign exchange forward contracts and commodity futures, designated as cash flow hedges to hedge highly probable forecasts / firm commitments for foreign currency sales and purchases and foreign currency receivables and payables in US Dollars (USD) and Euros (EUR).

Interest free deposits from customer and earnest money deposits to vendor are non interest bearing.

Other payables are non-interest bearing and have an average term of 30 -180 days.

Interest payable is normally settled within 30 days throughout the financial year.

For explanations on the group's credit risk management processes, refer to note 51.

^ Deferred revenue represents unrealised intercompany profit on sales made to the wholly owned subsidiaries which have been converted into joint ventures and associate. Refer note 56

$ Other current financial liabilities consists of long term incentive, bonus payable, leave travel allowance payables, etc.

NOTE 20: NON-CURRENT EMPLOYEE BENEFIT OBLIGATIONS

(₹ in million)

	31 March 2022	31 March 2021
Provision for gratuity (refer note 38)	76.10	76.67
Total	**76.10**	**76.67**

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NOTE 21: CURRENT EMPLOYEE BENEFIT OBLIGATIONS

(₹ in million)

	31 March 2022	31 March 2021
Provision for gratuity (refer note 38)	24.12	23.71
Provision for leave benefit	82.54	74.47
Total	**106.66**	**98.18**

NOTE 22: DEFERRED TAX ASSETS / LIABILITIES (NET)

(₹ in million)

		31 March 2022	31 March 2021
I.	**Deferred tax liability**		
	Property, plant and equipment: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	35.13	204.79
	Fair valuation of land on transition date	38.86	38.86
	Cash flow hedge reserve	538.28	230.90
	Timing difference on accounting profit and profit chargeable under income tax for Brazil	209.80	1.81
	Deferred tax liability created on consolidation adjustment	355.37	-
	Others	176.27	64.15
	Gross deferred tax liability	**1,353.70**	**540.51**
	Less: Netted off against deferred tax assets	809.71	-
	Net deferred tax liability	**543.99**	**540.51**
II.	**Deferred tax assets**		
	Property, plant and equipment: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting"	511.80	511.80
	Unabsorbed tax depreciation and business loss	-	149.31
	Provision for doubtful debts and advances	149.60	122.58
	Capital loss on sale of investment	13.09	173.78
	Deferred tax asset created on elimination of assets and revenue	-	116.31
	Deferred tax asset on expenses disallowed in income tax, allowed as and when incurred	171.14	171.14
	Others	139.85	68.82
	Gross deferred tax assets	985.48	1,313.74
	Less: Netted off against deferred tax liabilities	809.71	-
Net deferred tax asset		**175.77**	**1,313.74**

Reconciliation of deferred tax asset/(liability)

(₹ in million)

	31 March 2022	31 March 2021
Opening deferred tax asset, (net)	773.23	267.30
Deferred tax credit recorded in statement of profit and loss	(743.27)	(30.40)
Net deferred tax credit recorded in OCI not to be reclassified to profit and loss in the subsequent period	2.61	-
Deferred tax credit recorded in cash flow hedge reserve	(307.38)	(237.63)
Deferred tax asset/ (liability) classified as asset held for sale (refer note 10)	(22.36)	750.41
Others	(71.05)	23.55
Closing deferred tax (liability)/asset, (net) as at year end	**(368.22)**	**773.23**

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The major components of income tax expense for the year ended March 31, 2022 and March 31, 2021 are:

(₹ in million)

	31 March 2022	31 March 2021
Profit or loss section		
Current income tax charges:		
Current income tax	1,570.18	2,789.22
Adjustment of tax relating to earlier periods	(144.90)	75.71
Deferred tax		
Relating to origination and reversal of temporary differences	743.27	30.40
Income tax expenses reported in the statement of profit or loss	**2,168.55**	**2,895.33**
OCI section		
Deferred tax related to items recognised in OCI during the period:		
Net gain on revaluation of cash flow hedges	307.38	237.63
Re-measurement loss defined benefit plans	(2.61)	(1.15)
Income tax debited through OCI	**304.77**	**236.48**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:

(₹ in million)

	31 March 2022	31 March 2021
Accounting profit before income tax	**6,569.97**	**11,593.07**
At India's statutory income tax rate of 25.17% (March 31, 2021: 25.17%)	1,653.53	2,917.74
Permanent difference on account expenses disallowed/income exempted	186.64	193.12
Permanent difference on account of exempt income	(35.87)	-
Effect of income chargeable at different rate of tax	302.02	-
Difference in income tax rate considered for deferred tax on capital assets	(442.58)	(71.81)
Deferred tax asset not recognised	36.69	117.91
Interest expense on income tax under section 234 B and 234 C	-	(19.48)
Deferred tax asset created on provision for doubtful debts of previous year	-	(112.25)
Difference in rate of tax in Brazil and India	(59.18)	(125.86)
Impact of share in the profit of loss in associate or joint venture for the year	673.45	-
Exchange rate difference	-	(115.88)
Income tax for earlier year*	(144.90)	75.71
Others	(1.24)	36.12
At the effective income tax rate of 33.31% (March 31, 2021: 24.97 %)	**2,168.55**	**2,895.33**
Income tax expense reported in the statement of profit and loss	**2,168.55**	**2,895.33**

NOTE 23: OTHER LIABILITIES

(₹ in million)

	31 March 2022	31 March 2021
Non-current liabilities		
Contract liabilities for EPC contracts including advances from customers (refer note 55)*	2,249.29	2,975.76
Contract liability (refer note 4)	71.63	93.84
Other statutory dues payable to central/state government	668.83	-
Unearned revenue	1,983.43	125.26
Total	**4,973.18**	**3,194.86**

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(₹ in million)

	31 March 2022	31 March 2021
Current liabilities		
Advance from customers	288.85	486.86
Withholding taxes (TDS) payable	125.25	203.72
Contract liabilities for EPC contracts including advances from customers (refer note 55)*	4,694.67	1,899.93
Goods and service tax payable	127.63	4.43
Other statutory dues payable to central/state government	199.38	11.36
Unearned revenue	72.63	7.29
Others #	289.61	514.25
Total	**5,798.02**	**3,127.84**

NOTE 24: REVENUE FROM OPERATIONS

(₹ in million)

	31 March 2022	31 March 2021
Revenue from contracts with customers		
Revenue from sale of conductors and power cables	15,470.90	12,206.75
Revenue from master system integration (MSI) contracts	3,254.93	3,909.48
Revenue from engineering, procurement and construction (EPC) contracts with joint ventures* (refer note 55)	17,978.93	-
Revenue from power transmission services	1,345.68	2,076.60
Revenue from construction of concession assets	11,687.25	1,168.67
Remuneration of concession assets	1,365.47	646.50
Revenue from operation & maintenance of concession assets	84.05	16.48
Revenue from sale of traded goods	324.63	588.80
Revenue from project consultancy services	46.14	75.54
Revenue from services rendered to joint ventures	237.88	-
Revenue from network infrastructure	24.84	6.58
Total revenue from contracts with customers	**51,820.70**	**20,695.40**
Other operating revenue		
Scrap sales	128.45	100.67
Export incentive	-	53.98
Management fees (refer note 55)	25.68	68.10
License fees	-	5.76
Total revenue from operations	**51,974.83**	**20,923.91**

*As explained in note 46, during the year ended March 31, 2022, some of the subsidiaries of the Group viz. Sterlite Grid 14 Limited (immediate holding company of Udupi Kasaragode Transmission Limited), Sterlite Grid 18 Limited (immediate holding company of Lakadia-Vadodara Transmission Project Limited) and Sterlite Grid 29 Limited (immediate holding company of Goa Tamnar Transmission Project Limited) which are engaged in constructing and developing power transmission projects on Build, Own, Operate and Maintain ('BOOM') basis became joint ventures. In the earlier years, the assets, liabilities, income and expenses of these subsidiaries were consolidated on a line by line basis and the intercompany transactions with these subsidiaries (including sale of goods/services, etc) and the intercompany balances (including trade receivables and trade payables) were eliminated in the consolidated financial statements. Since these subsidiaries became joint ventures, these are accounted for using the equity method of accounting. Accordingly, transactions with these joint ventures and the related balances are not eliminated from the consolidated financial statements of the Group. Only the unrealised gains/losses to the extent of Group's share in these joint ventures are eliminated (refer note 2.3 for the accounting policy adopted by the Group in this regard). As a result, the amounts for the year ended March 31, 2022 may not be comparable with the earlier years.

Notes to Consolidated Financial Statements

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Based on the inter-se rights available to the Group and AMP Capital under the Framework Agreement and the Share purchase and Shareholders' agreements and the equal equity shareholdings of both the investors, SGL14/SGL18/SGL29 have become joint ventures for the Group during the current period and SGL13 had become joint venture in the previous year as mentioned in the note 56 (a) due to which the revenue from engineering, procurement and construction (EPC) contracts with these entities will not get eliminated post such change in the ownership of the above mentioned entities.

(a) Performance obligations

Sale of conductors and power cables

The performance obligation is satisfied upon delivery of conductor, power cable or traded aluminium rods and payment is generally due within 60 to 365 days from delivery. Some contracts provide the Group right to receive price variation from customers on account of changes in metal prices.

Revenue from Engineering, Procurement and Construction ('EPC') contracts

The performance obligation is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the achievement of contractual milestones.

Revenue from master system integration (MSI) contracts and engineering, procurement and construction ('EPC') contracts

The performance obligation is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the achievement of contractual milestones.

Power transmission services

Power transmission services are rendered to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the company with LTTCs. The TSAs are executed for a period of 35 years and have fixed tariff charges as approved by CERC (except some escalable portion and some incentives/penalties relating to transmission assets availabilities). Under the TSAs, the Group's performance obligation is to provide power transmission services. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs failing which could result in certain disincentives/penalties. The performance obligation is satisfied over-time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

The Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the Point of Connection (PoC) mechanism, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility (i.e. Power Grid Corporation of India Limited) from LTTCs are disbursed pro-rata to all Transmission Service Providers from the pool in proportion of the respective billed amount. Applying the practical expedient as given in Ind AS 115, the group has not disclosed the remaining performance obligation related disclosures since the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

Construction of concession assets

The Group's performance obligation with respect to construction of service concession assets is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract costs incurred to date bear to the estimated total contract costs. When the Group provides more than one service under a concession agreement, the consideration received is allocated based on the fair values of the services delivered.

Remuneration of concession assets

Remuneration from service concession arrangement comprise of interest income which is recognized at the market interest rate that reflects the economic volatility on the future flow from the service concession infrastructure. The discount rate is represented by a market rate that considers the risks and premiums specific to the service concession transmission asset.

Notes to Consolidated Financial Statements

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Revenue from services rendered to joint ventures

Services rendered to joint ventures represent the performance obligation for providing various consultation and agency services in relation to joint venture entities which are satisfied at a point of time.

Project consultancy

Project consultancy services represent the performance obligation for providing consultation services in relation to designing and testing of conductors and are satisfied over-time. Payment is generally due within 30 days from provision of service.

(b) Disaggregated revenue information

(₹ in million)

		Within India		Outside India	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
(i)	Revenue from sale of conductors and power cables recognised at a point in time	4,698.08	5,161.75	10,772.82	7,045.00
(ii)	Revenue from engineering, procurement and construction (EPC) contracts recognised over time	17,978.93	3,909.48	-	-
(iii)	Revenue from power transmission services recognised at a point in time	1,345.68	2,076.60	-	-
(iv)	Revenue from construction of concession assets recognised over time	-	-	11,687.25	1,168.67
(v)	Remuneration of concession assets recognised over time	-	-	1,365.47	646.50
(vi)	Revenue from operation & maintenance of concession assets recognised over time	-	-	84.05	16.48
(vii)	Revenue from sale of traded goods recognised at a point of time	324.63	588.80	-	-
(viii)	Revenue from professional consultancy services recognised at a point of time	-	-	-	-
(ix)	Revenue from network infrastructure recognised over time	24.84	6.58	-	-
(x)	Revenue from project services recognised over time	237.88	-	46.14	75.54
	Total	**24,610.03**	**11,743.21**	**23,955.73**	**8,952.19**

(c) Assets and liabilities related to contracts with customers

(₹ in million)

	31 March 2022	31 March 2021
Balances at the beginning of the year		
Trade receivables	6,230.12	5,539.54
Contract assets*	2,533.12	8,031.34
Contract liabilities (including advances from customers)	4,969.53	365.14
Balances at the end of the year		
Trade receivables	13,604.29	6,230.12
Contract assets	17,351.01	2,533.12
Contract liabilities (including advances from customers)	7,304.43	4,969.53

** Also includes contract assets related to construction of concession assets*

The Group receives payments from customers based on a billing schedule, as established in the contracts. Contract asset relates to the conditional right to consideration for completed performance under the contract. Accounts receivable are recognised when the right to consideration becomes unconditional. Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognised as revenue as (or when) performed under the contract.

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Set out below is the amount of revenue recognised from:

(₹ in million)

	31 March 2022	31 March 2021
Amounts included in contract liabilities at the beginning of the year	4,969.53	365.14

(d) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in million)

	31 March 2022	31 March 2021
Revenue as per contracted price	51,774.61	20,656.60
Adjustments:		
Incentives earned for higher asset availabilities	42.35	37.59
Surcharges received for late payments	10.99	15.36
Rebates given for early payments	(7.25)	(14.15)
Total revenue from contracts with customers	**51,820.70**	**20,695.40**

(e) Terms of service concession contracts

The Group has subsidiaries in Brazil which construct power transmission assets / facilities under service concession agreements.

Characteristics of service concession arrangement

The Group constructs transmission infrastructure in Brazil and operates and maintains such infrastructure for a specified period of time which are awarded by Brazilian Electricity Regulatory Agency ('ANEEL') through competitive bidding process. The infrastructure constructed by the Group (i.e. the operator) is not recorded as property, plant and equipment of the group because the concession agreement does not transfer to the concessionaire the right to control the use of public services infrastructure. The Group only has the right to operate the infrastructure for the provision of public services on behalf of the Granting Authority, as provided in the contract

Periodic revision to annual permitted revenue ('RAP')

In accordance with the service concession agreement every five years after the date of signing the contracts, Brazilian Electricity Regulatory Agency ('ANEEL') will periodically tariff review of RAP of electricity transmission, in order to promote efficiency and low tariffs.

The periodic rate revision recipe comprises repositioning by determining:

a) the change of third-party capital costs in the concession agreement;

b) receipts from reinforcements and improvements;

c) identifying the amount to be considered as reducing rate - Other Income

Variable consideration

In accordance with the service concession agreement, the Group is liable to pay penalty for unavailability of transmission facilities to the Grantor. Further, the Group is eligible for additional RAP as an incentive for improving the availability of transmission facilities. These variable considerations are recognised as revenue from transmission infrastructure and/or operation & maintenance revenue in the period in which they occur.

Details of revenue from construction of service concession assets and related construction costs:

(₹ in million)

	31 March 2022	31 March 2021
Revenue from construction of service concession assets	11,687.25	1,168.67
Cost of construction of service concession assets	11,603.65	1,416.03

Notes to Consolidated Financial Statements

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(f) Remuneration of concession assets

Remuneration from concession assets comprise of interest income which is recognized at the market interest rate that reflects the economic volatility on the future flow from the service concession infrastructure. The discount rate is represented by a market rate that considers the risks and premiums specific to the service concession transmission asset at the time of award of the concession.

(g) Transaction price allocated to the remaining performance obligations

(₹ in million)

	31 March 2022	31 March 2021
Expected to be recognised as revenue over the next one year	37,428.94	30,403.76
Expected to be recognised as revenue beyond next one year	56,844.63	60,938.34
Total	**94,273.57**	**91,342.09**

NOTE 25: FINANCE INCOME

(₹ in million)

	31 March 2022	31 March 2021
Interest income on		
- Bank deposits	283.07	170.89
- Loan to related parties (refer note 55)	576.35	85.85
Fair value gain on investments measured at fair value through profit or loss	-	82.33
Gain on sale of mutual funds	-	5.06
Interest on income tax refund	0.96	-
Others	24.22	35.65
Total	**884.60**	**379.78**

NOTE 26: OTHER INCOME

(₹ in million)

	31 March 2022	31 March 2021
Net profit on sale of investments in shares of Indigrid Investment Managers Limited and in units of India Grid Trust [refer note 10(a) and 10(b)]	297.50	213.92
Net gain on sale of power transmission assets (refer note i and ii below) (refer note 36)	7,031.95	15,397.27
Profit on sale of property, plant and equipment (net)	-	1.86
Income on investment in India Grid Trust	11.47	537.73
Gain on conversion of subsidiaries in power transmission infrastructure business into joint ventures (refer note 46)	94.44	-
Consideration received from India Grid Trust on sale of investments in earlier years (refer note iii below)	513.65	1,047.29
Miscellaneous income	21.68	47.61
Total	**7,970.70**	**17,245.68**

(i) Sale of Gurgaon-Palwal Transmission Limited

The Group had entered into share purchase agreement and shareholders' agreement dated August 28, 2020 ("the Agreements") among Gurgaon-Palwal Transmission Limited ('GPTL' referred as "the SPV"), Sterlite Power Transmission Limited ('SPTL'), Axis Trustee Services Limited (on behalf of and acting in its capacity as trustee to India Grid Trust) and Sterlite Investments Managers Limited (in its capacity as investment manager of India Grid Trust). Pursuant to the Agreements, the Group has transferred 49% of equity in the SPV and for transfer of the remaining 51% equity stake, the Group has received consideration in advance which is non-refundable. The remaining stake will be transferred to the buying shareholder on expiry of the mandatory shareholding period in the SPV. Under the Agreements, the Group has also given the following rights to the buying shareholder:

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a. Right to nominate all directors on the board of directors of the SPV;

b. Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of the SPV;

c. Irrevocable and unconditional call option to acquire the remaining 51% equity stake in the SPV at later dates;

d. Pledge on the remaining 51% equity stake in the SPV;

e. Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in the SPV.

During the previous year, basis the above rights and the fact that full non-refundable consideration has been received in advance by the Group from the buying shareholder, the Group has derecognised all the assets and the liabilities pertaining to the SPV and recognised a gain of ₹ 10.50 million on sale of the SPV in the statement of profit and loss.

(ii) Sale of NER-II Transmission Limited

"During the year ended March 31, 2021, the Group entered into a Share purchase agreement dated 05 March 2021, as amended on 25 March 2021 ("SPA") and Shareholders' agreement dated 25 March 2021 ("SHA") with IndiGrid Investment Managers Limited (formerly known as Indigrid Investment Managers Limited), being the Investment Manager of India Grid Trust ('IndiGrid') for the sale of NER II Transmission Limited (""NER"").

Pursuant to the SPA, the Group has sold 49% of the paid-up equity shares of NER on 24 March 2021 for a consideration of ₹ 8,578.70 million. Further, under the SHA, the Group has also transferred control over majority of the Board of Directors of NER to IndiGrid. Also, the Group has received irrevocable advance consideration of ₹ 4,376.89 million for further 25% paid up equity shares of NER before 31 March 2021 and it has transferred such equity shares to an escrow account on an irrevocable basis to be transferred eventually to IndiGrid after the expiry of period for mandatory shareholding by Sterlite Grid 4 Limited in NER as per the relevant Transmission Services Agreement. Under the SHA, the control over the voting power for the 25% equity shares is vested with IndiGrid and it has the right to instruct the Group to vote in accordance with its instructions in respect of the 25% equity shares in NER.

Basis the above, the Group has concluded that it has transferred control over NER to IndiGrid on 25 March 2021 and accordingly the net assets of NER have been derecognised and a net gain (including EPC margin) of ₹ 15,313.40 million corresponding to the sale in substance of 74% equity stake in NER has been recognised in the consolidated financial statements. Since substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset/group of similar identifiable assets, hence the sale of NER has been treated as sale of asset rather than sale of business. Accordingly, the remaining equity holding of 26% in NER as at March 31, 2021 has been carried at cost. There are certain conditions precedent ("CPs") specified in the SPA for transfer of the remaining 26% equity stake in NER which are pending to be completed till date.

During the year, the Group has received advance consideration for remaining 26% stake in NER and has transferred such equity shares to an escrow account on an irrevocable basis which would be transferred eventually to IndiGrid after the expiry of period for mandatory shareholding by erstwhile Sterlite Grid 4 Limited. Accordingly, the Group has recognised a gain (including EPC margin) of ₹ 7,031.95 million for the year ended March 31, 2022.

(iii) In earlier periods, the Group sold the investment in various subsidiaries to India Grid Trust. During the year, India Grid Trust has paid earn outs related to claim in increase in tariff due to change in law, income tax refund and VAT refund to the Group.

NOTE 27: COST OF RAW MATERIAL AND COMPONENTS CONSUMED

(₹ in million)

	31 March 2022	31 March 2021
Inventory at the beginning of the year	1,871.70	1,454.23
Add: Purchases during the year	10,941.21	8,492.99
	12,812.91	**9,947.22**
Less: Inventory at the end of the year	809.56	1,871.70
Cost of raw material and components consumed	**12,003.35**	**8,075.52**

Notes to Consolidated Financial Statements

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NOTE 28: CONSTRUCTION MATERIAL AND CONTRACT EXPENSES

(₹ in million)

	31 March 2022	31 March 2021
Construction material	12,361.41	2,743.50
Subcontracting charges*	15,027.30	1,694.11
Total	**27,388.71**	**4,437.61**

These charges pertains to services rendered in relation to construction contracts

NOTE 29: DECREASE/(INCREASE) IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

(₹ in million)

	31 March 2022	31 March 2021
Opening inventories:		
Traded goods	58.21	34.90
Work-in-progress	205.64	264.51
Finished goods	762.44	2,006.93
	1,026.29	**2,306.34**
Closing inventories:		
Traded goods	11.20	58.21
Work-in-progress	340.83	205.64
Finished goods	497.42	762.44
	849.45	**1,026.29**
Decrease/(increase) in inventories of finished goods, work-in-progress and traded goods	**176.84**	**1,280.05**

NOTE 30: EMPLOYEE BENEFITS EXPENSE

(₹ in million)

	31 March 2022	31 March 2021
Salaries, wages and bonus	2,205.70	1,866.78
Contribution to provident fund and superannuation fund	137.04	133.12
Employees stock appreciation rights expense (refer note 45)	(16.37)	196.98
Gratuity expense (refer note 38)	24.53	29.55
Staff welfare expenses	119.47	74.91
Total	**2,470.37**	**2,301.34**

Employee benefit expense above is net of the amounts capitalised to property, plant and equipment. Refer note 39 for details.

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group is assessing the impact of the Code when it comes into effect and will record any related impact in the year the Code becomes effective.

Notes to Consolidated Financial Statements

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NOTE 31: OTHER EXPENSES

(₹ in million)

	31 March 2022	31 March 2021
Consumption of stores and spares	91.27	67.58
Power, fuel and water	309.98	207.07
Repairs and maintenance		
- Building	17.37	6.98
- Machinery	122.54	71.97
- Others	5.78	2.61
Service expenses and labour charges	271.23	224.80
Consumption of packing materials	324.10	296.18
Transmission infrastructure maintenance charges	75.35	108.93
Sales commission	168.53	182.13
Carriage outwards	814.27	464.79
Rent	60.29	19.79
Insurance	132.45	136.26
Rates and taxes	151.43	127.47
Travelling and conveyance	198.97	59.81
Legal and professional fees	525.80	1,067.88
Advertisement and business promotion expenses	33.72	11.68
Loss on sale of property, plant & equipment (net)	4.48	-
Network maintenance charges	10.95	16.05
Directors sitting fee and commission (refer note 55)	14.17	14.50
Impairment allowance for trade receivables and advances	103.59	97.64
Write down / (reversal) related to assets held for sale (refer note 10)	(422.23)	670.24
Indemnification expenses incurred under share purchase agreement	77.13	72.88
Miscellaneous expenses	697.49	579.47
Total	**3,788.66**	**4,506.71**

Other expenses above are net of the amounts capitalised to property, plant and equipment. Refer note 39 for details.

Details of CSR expenditure:

(₹ in million)

	31 March 2022	31 March 2021
a) Gross amount required to be spent by the Group during the period	-	-
b) Amount approved by the Board to be spent during the period	42.81	19.51

(₹ in million)

	In cash	Total
c) Amount spent during the year ending on March 31, 2022:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	32.88	-
d) Amount spent during the year ending on March 31, 2021:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	19.51

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(₹ in million)

	In cash	Total
e) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	9.93	-
- Other than ongoing project	-	-

NOTE 32: DEPRECIATION AND AMORTISATION EXPENSE

(₹ in million)

	31 March 2022	31 March 2021
Depreciation of tangible assets	624.03	829.50
Depreciation of right-of-use assets	94.08	76.13
Amortisation of intangible assets	85.45	82.52
Total	**803.56**	**988.15**

NOTE 33: FINANCE COST

(₹ in million)

	31 March 2022	31 March 2021
Interest on financial liabilities measured at amortised cost	3,212.35	4,839.85
Bill discounting charges	78.05	248.49
Interest others	154.07	6.89
Lease charges	19.59	7.63
Bank charges	792.70	633.60
Total	**4,256.76**	**5,736.46**

Finance cost includes interest cost related to term loans of Khargone Transmission Limited which has been classified as asset held for sale refer note 10).

Finance cost above is net of the amounts capitalised to property, plant and equipment. Refer note 39 for details.

NOTE 34: EXCEPTIONAL ITEM

(₹ in million)

	31 March 2022	31 March 2021
Initial public offer related expenses	117.00	-
	117.00	-

During the year, the Group had filed its Draft Red Herring Prospectus with Securities & Exchange Board of India (SEBI) for a proposed Initial Public Offering (IPO) of its equity shares. The Company incurred expenses of ₹ 117.00 million in connection with proposed IPO. Management has informed that the current market conditions are not conducive for listing and hence the same is not pursued. Accordingly, management has charged off expenses incurred on the IPO as non recurring expenses. Considering the nature of the expenses management has disclosed it as an "exceptional item"for the financial year ended March 31, 2022.

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NOTE 35: EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders 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 profit and share data used in the basic and diluted EPS computation

(₹ in million)

	31 March 2022	31 March 2021
Profit attributable to equity shareholders for computation of basic and diluted EPS	4,401.42	8,697.74
Weighted average number of equity shares in calculating basic and diluted EPS (Nos. million)	**61.18**	**61.18**
Earnings per share		
Basis and diluted (on nominal value of ₹ 2 per share)	71.94	142.16

NOTE 36: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Group's consolidated financial statements:

Applicability of Appendix D to Ind AS 115 - Revenue from Contracts with Customers to transmission projects in India:

The Group through its subsidiaries in India is a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25 years. It has also entered into a Transmission Services Agreements (""TSA"") with Long Term Transmission Customers (""LTTC"") in India through a tariff based bidding process and is required to Build, Own, Operate and Maintain (""BOOM"") the transmission infrastructure for a period of 25/35 years. The management of the Group is of the view that the grantor as defined under Appendix D of Ind AS 115 (""Appendix D"") requires transmission licensee to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license as well as at the end of the license period. However, in the view of management, the grantor's involvement and approvals are to protect public interest and are not intended to control through ownership, beneficial entitlement or otherwise, any significant residual interest in the transmission infrastructure at the end of the term of the arrangement. Accordingly, management is of the view that Appendix D is not applicable to the Group in respect of the transmission projects undertaken in India under BOOM model.

Asset held for sale (subsidiaries in Brazil)

The Group has presented certain assets and liabilities as held for sale. Refer note 10.

During the previous year, the management had exercised significant judgement in assessing that these entities are available for immediate sale and can be sold in its current condition, the actions to complete the sale were initiated and the sale of these entities is highly probable within one year from the date and the Group expects approval from relevant regulatory authorities which is administrative in nature. Accordingly, the management has classified the assets and liabilities related to these entities as held for sale since the carrying amounts of such assets and liabilities will be recovered principally through sale transaction rather than through continuing use based on approval from the Board of Directors.

During the year, the Board of Directors has decided not to sell São Francisco and Marituba project. Accordingly, the assets and liabilities related to São Francisco and Marituba project have been re-classified from assets held for sale.

Acquisition of Maharashtra Transmission Communication Infrastructure Limited

The Group has acquired Maharashtra Transmission Communication Infrastructure Limited ('MTCIL') which is engaged in the business of making available fibre capacity on lease rental to retail, wholesale and enterprise/corporate customers, drawn from Optical Power Ground Wire (OPGW) network. The purchase consideration primarily pertains to the fair value of the telecommunication infrastructure assets. As the fair value of MTCIL is substantially concentrated in

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the property, plant and equipment, the management has considered acquisition of MTCIL as an asset acquisition.

Disposal of NER II Transmission Limited ("NER") and Gurgaon-Palwal Transmission Limited ("GPTL"):

NER:

During the year ended March 31, 2021, the Group entered into a Share purchase agreement dated 05 March 2021, as amended on 25 March 2021 ("SPA") and Shareholders' agreement dated 25 March 2021 ("SHA") with IndiGrid Investment Managers Limited (formerly known as Indigrid Investment Managers Limited), being the Investment Manager of India Grid Trust ('IndiGrid') for the sale of NER II Transmission Limited (""NER"").

Pursuant to the SPA, the Group has sold 49% of the paid-up equity shares of NER on 24 March 2021 for a consideration of ₹ 8,578.70 million. Further, under the SHA, the Group has also transferred control over majority of the Board of Directors of NER to IndiGrid. Also, the Group has received irrevocable advance consideration of ₹ 4,376.89 million for further 25% paid up equity shares of NER before 31 March 2021 and it has transferred such equity shares to an escrow account on an irrevocable basis to be transferred eventually to IndiGrid after the expiry of period for mandatory shareholding by Sterlite Grid 4 Limited in NER as per the relevant Transmission Services Agreement. Under the SHA, the control over the voting power for the 25% equity shares is vested with IndiGrid and it has the right to instruct the Group to vote in accordance with its instructions in respect of the 25% equity shares in NER.

Basis the above, the Group has concluded that it has transferred control over NER to IndiGrid on 25 March 2021 and accordingly the net assets of NER have been derecognised and a net gain (including EPC margin) of ₹ 15,313.40 million corresponding to the sale in substance of 74% equity stake in NER has been recognised in the consolidated financial statements. Since substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset/group of similar identifiable assets, hence the sale of NER has been treated as sale of asset rather than sale of business. Accordingly, the remaining equity holding of 26% in NER as at March 31, 2021 has been carried at cost. There are certain conditions precedent ("CPs") specified in the SPA for transfer of the remaining 26% equity stake in NER which are pending to be completed till date.

During the year, the Group has received advance consideration for remaining 26% stake in NER and has transferred such equity shares to an escrow account on an irrevocable basis which would be transferred eventually to IndiGrid after the expiry of period for mandatory shareholding by Sterlite Grid 4 Limited. Accordingly, the Group has recognised a gain of ₹ 7,031.95 million for the year ended March 31, 2022.

GPTL:

The Group had entered into share purchase agreement and shareholders' agreement dated August 28, 2020 ("the Agreements") among Gurgaon-Palwal Transmission Limited ('GPTL' referred as "the SPV"), Sterlite Power Transmission Limited ('SPTL'), Axis Trustee Services Limited (on behalf of and acting in its capacity as trustee to India Grid Trust) and Sterlite Investments Managers Limited (in its capacity as investment manager of India Grid Trust). Pursuant to the Agreements, the Group has transferred 49% of equity in the SPV and for transfer of the remaining 51% equity stake, the Group has received consideration in advance which is non-refundable. The remaining stake will be transferred to the buying shareholder on expiry of the mandatory shareholding period in the SPV. Under the Agreements, the Group has also given the following rights to the buying shareholder:

a. Right to nominate all directors on the board of directors of the SPV;

b. Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of the SPV;

c. Irrevocable and unconditional call option to acquire the remaining 51% equity stake in the SPV at later dates;

d. Pledge on the remaining 51% equity stake in the SPV;

e. Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in the SPV.

During the previous year, basis the above rights and the fact that full non-refundable consideration has been received in advance by the Group from the buying shareholder, the Group has derecognised all the assets and the liabilities pertaining to the SPV and recognised a gain of ₹ 10.50 million on sale of the SPV in the statement of profit and loss.

Khargone Transmission Limited ("KTL"):

As on March 31, 2022, the investment of the Group in the net assets of Khargone Transmission Limited are proposed to be transferred. The management has classified the assets and associated liabilities as held for sale since the carrying amounts of such assets and liabilities will be recovered principally through sale transaction rather than through continuing use. Management has concluded that these assets and liabilities were available for immediate sale and the sale was highly probable. Refer Note 10 for further details.

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. Existing circumstances

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and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Estimates used in the application of Appendix D of Ind AS 115 'Service Concession Arrangement' to transmission projects in Brazil

The Group constructs transmission infrastructure in Brazil and operates and maintains such infrastructure for a specified period of time. The infrastructure constructed by the group (i.e. the operator) is not recorded as property, plant and equipment of the group because the concession agreement does not transfer to the concessionaire the right to control the use of public services infrastructure. The Group only has the right to operate the infrastructure for the provision of public services on behalf of the Granting Authority, as provided in the contract. Thus, under the terms of the concession agreement, the operator only acts as a service provider.

The Group records "Concession contract assets", as per Ind AS 115– Revenue from Contracts with Customers for Brazilian subsidiaries in the Group's special purpose consolidated financial statements. The contract asset refers to the Group's right to the consideration as a result of the investments made in the construction of transmission line infrastructure. The measurement of contract assets involves significant estimates, such as: (i) the discount rate used, which represents the financing component embedded in the future receivable, (ii) Determination of fair value of consideration for each identified performance obligation and (iii) expected profit margins in each identified performance obligation.

Revenue from contract with customers - EPC contracts

As described in Note 2.3, revenue and costs in respect of construction contracts are recognised progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. The Group estimates the total cost of the project at each period end. These estimates are based on the rates agreed with vendors/sub contractors and management's best estimates of the costs that would be incurred for the completion of project based on past experience and/or industry data. These estimates are re-assessed at each period end. Variations in contract works, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract cost will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Impairment of non-financial assets including investment in associate and joint venture

Non-financial assets of the Group primarily comprise of transmission assets (property, plant and equipment), investment in associate and joint venture. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the transmission assets are based on the fair values less costs of disposal/value in use of the projects. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets/forecasts over the life of the projects. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash flows.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits 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 in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. 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 for the respective countries.

Further details about gratuity obligations are given in Note 38.

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Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF 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. See Note 52 and 53 for further disclosures.

Provision for expected credit losses of trade receivables and contract assets

The Group performs an impairment analysis at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical observed data for defaults. At every reporting date, the historical observed default rates are updated. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Further, for companies engaged in the power infrastructure business, major receivables are from few customers and is based on point of connection mechanism (refer Note 24), hence the concentration of risk with respect to trade receivables is low.

NOTE 37: LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES WHICH ARE INCLUDED IN THE CONSOLIDATION AND THE COMPANY'S EFFECTIVE EQUITY SHAREHOLDINGS THEREIN ARE AS UNDER:

(₹ in million)

Name of the entity	Effective equity shareholding as on March 31, 2022	Effective equity shareholding as on March 31, 2021	Country of incorporation
List of subsidiaries			
Sterlite Convergence Limited	100.00%	100.00%	India
Sterlite Grid 4 Limited (SG4L)^	-	100.00%	India
Sterlite Grid 5 Limited (SG5L)	100.00%	100.00%	India
Sterlite Grid 6 Limited (SG6L)	100.00%	100.00%	India
Sterlite Grid 7 Limited (SG7L)	100.00%	100.00%	India
Sterlite Grid 8 Limited (SG8L)	100.00%	100.00%	India
Sterlite Grid 9 Limited (SG9L)	100.00%	100.00%	India
Sterlite Grid 10 Limited (SG10L)	100.00%	100.00%	India
Sterlite Grid 11 Limited (SG11L)	100.00%	100.00%	India
Sterlite Grid 12 Limited (SG12L)	100.00%	100.00%	India
Sterlite Grid 14 Limited (SG14L)	-	100.00%	India
Sterlite Grid 15 Limited (SG15L)	100.00%	100.00%	India
Sterlite Grid 16 Limited (SG16L)	100.00%	100.00%	India
Sterlite Grid 17 Limited (SG17L)	100.00%	100.00%	India
Sterlite Grid 18 Limited (SG18L)	-	100.00%	India
Sterlite Grid 19 Limited (SG19L)	100.00%	100.00%	India
Sterlite Grid 20 Limited (SG20L)	100.00%	100.00%	India
Sterlite Grid 21 Limited (SG21L)	100.00%	100.00%	India
Sterlite Grid 22 Limited (SG22L)	100.00%	100.00%	India
Sterlite Grid 23 Limited (SG23L)	100.00%	100.00%	India
Sterlite Grid 24 Limited (SG24L)	100.00%	100.00%	India
Sterlite Grid 25 Limited (SG25L)	100.00%	100.00%	India
Sterlite Grid 26 Limited (SG26L)	100.00%	100.00%	India
Sterlite Grid 27 Limited (SG27L)	100.00%	100.00%	India

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(₹ in million)

Name of the entity	Effective equity shareholding as on March 31, 2022	Effective equity shareholding as on March 31, 2021	Country of incorporation
Sterlite Grid 28 Limited (SG28L)	100.00%	100.00%	India
Sterlite Grid 29 Limited (SG29L)	-	100.00%	India
Sterlite Grid 30 Limited (formerly known as NRSS XXIS JS Transmission limited)	100.00%	100.00%	India
One Grid Limited	100.00%	100.00%	India
Sterlite EdIndia Foundation	99.95%	99.95%	India
Khargone Transmission Limited (KTL)***	100.00%	100.00%	India
Goa-Tamnar Transmission Project Limited (GTTPL)	-	100.00%	India
Udupi Kasargode Transmission Limited (UKTL)	-	100.00%	India
Lakadia Vadodara Transmission Project Limited (LVTPL)	-	100.00%	India
Nangalbibra-Bongaigaon Transmission Limited**	100.00%	-	India
Maharashtra Transmission Communication Infrastructure Limited**	64.98%	-	India
Sterlite Brazil Participacoes S.A	100.00%	100.00%	Brazil
Vineyards Participacoes S.A.***	100.00%	-	Brazil
Se Vineyards Power Transmission S.A.***	100.00%	100.00%	Brazil
Dunas Transmissão de Energia S.A.*	-	100.00%	Brazil
Borborema Participacoes S.A.	100.00%	-	Brazil
Borborema Transmissão de Energia S.A.	100.00%	100.00%	Brazil
São Francisco Transmissão de Energia S.A.	100.00%	100.00%	Brazil
Goyas Transmissão de Energia S.A.	100.00%	100.00%	Brazil
Marituba Transmissão de Energia S.A.	100.00%	100.00%	Brazil
Solaris Transmissão de Energia S.A.	100.00%	100.00%	Brazil
List of associates and joint ventures			
Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)	-	40.00%	India
Sterlite Interlinks Limited	49.00%	49.00%	India
Sterlite Grid 13 Limited (SG13L)	50.00%	50.00%	India
Sterlite Grid 14 Limited (SG14L)	50.00%	-	India
Sterlite Grid 18 Limited (SG18L)	50.00%	-	India
Sterlite Grid 29 Limited (SG29L)	50.00%	-	India
Mumbai Urja Marg Liimited [formerly know as Vapi II-North Lakhimpur Transmission Limited (VNLTL)]	50.00%	50.00%	India
Goa-Tamnar Transmission Project Limited (GTTPL)	50.00%	-	India
Udupi Kasargode Transmission Limited (UKTL)	50.00%	-	India
Lakadia Vadodara Transmission Project Limited (LVTPL)	50.00%	-	India
NER-II Transmission Limited (NER-II)#	-	26.00%	India

** Subsidiaries sold during the year*

*** Subsidiary incorporated/acquired during the year*

**** Classified as asset held for sale (refer note 10)*

 # Based on benefecial ownership in the associate. Stake in NER-II was completely sold in the current year.

^ Merged with Sterlite Power Transmission Limited. Refer note 56

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NOTE 38: EMPLOYEE BENEFIT OBLIGATION

The Group has a defined benefit gratuity plan which in unfunded. Every employee working in the Group gets a gratuity on departure at 15 days salary (last drawn salary) for completed period of service.

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

(₹ in million)

	31 March 2022	31 March 2021
Defined benefit obligation at the beginning of the year	**100.37**	**84.72**
Interest cost	5.67	4.70
Current service cost	18.87	16.87
Past service cost	-	13.35
Benefits paid directly by the Group	(22.48)	(23.82)
Actuarial (gain)/loss due to change in financial assumptions	6.77	(3.86)
Actuarial (gain)/loss on obligation due to experience adjustments	3.55	8.01
Actuarial (gain)/loss on obligation due to demographic assumptions	1.03	0.40
Present value of defined benefit obligation at the end of the year	**113.78**	**100.37**

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

(₹ in million)

	31 March 2022	31 March 2021
Fair value of plan assets at the beginning of the year	-	-
Employer's contribution	24.99	-
Benefits paid	(10.33)	-
Return on plan assets excluding amounts recognised in net interest expense	0.96	-
Fair value of plan assets at the end of the year	**15.62**	-

Details of defined benefit obligation

(₹ in million)

	31 March 2022	31 March 2021
Present value of defined benefit obligation	113.78	100.37
Fair value of plan assets	15.62	-
Adjustment on account of merger	2.06	-
Defined benefit liability	**100.22**	**100.37**
Current	**24.12**	**23.71**
Non Current	**76.10**	**76.67**

Net employee benefit expense recognised in the statement of profit and loss:

(₹ in million)

	31 March 2022	31 March 2021
Current service cost	18.87	16.87
Past service cost	-	13.35
Interest cost on benefit obligation	5.67	4.70
Net benefit expense	**24.54**	**34.92**

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Expenses recognised in other comprehensive income (OCI) for current year

(₹ in million)

	31 March 2022	31 March 2021
Actuarial (gain)/loss on obligation for the year		
- changes in demographic assumption	1.03	0.40
- changes in financial assumption	6.77	(3.86)
- experience variance	3.55	8.01
- Return on plan assets excluding amounts recognised in net interest expense	(0.96)	-
Net (income)/expense for the year recognized in OCI	**10.39**	**4.55**

Amounts for the current and previous years are as follows:

(₹ in million)

	31 March 2022	31 March 2021
Defined benefit obligation	98.16	100.37
Plan assets	-	-
Deficit	(98.16)	100.37
Experience adjustments on plan liabilities	3.55	8.01
Experience adjustments on plan assets	-	-

The principal assumptions used in determining defined benefit obligation are shown below:

(₹ in million)

	31 March 2022	31 March 2021
Discount rate	6.10%	5.65%
Expected rate of return on plan asset	NA	NA
Employee turnover	15.00%-22.62%	16.56%-24.85%
Expected rate of salary increase	9%	7%
Actual rate of return on plan assets	NA	NA

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

(₹ in million)

	31 March 2022	31 March 2021
Projected benefit obligation on current assumptions	98.16	100.37
Delta effect of +1% change in rate of discounting	9.89	(4.16)
Delta effect of -1% change in rate of discounting	21.08	4.54
Delta effect of +1% change in rate of salary increase	20.44	4.24
Delta effect of -1% change in rate of salary increase	10.28	(3.98)
Delta effect of +1% change in rate of employee turnover	11.32	(1.40)
Delta effect of -1% change in rate of employee turnover	23.94	3.29

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Maturity analysis of projected benefit obligation: From the employer (undiscounted basis)

(₹ in million)

	31 March 2022	31 March 2021
Projected benefits payable in future years from the date of reporting		
1st year	24.12	23.71
2-5 years	60.31	57.15
6-10 years	42.72	32.41
More than 10 years	33.70	19.29

NOTE 39: CAPITALISATION OF EXPENDITURE

During the year, the Group has capitalised the following expenses to the cost of fixed assets/capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

(₹ in million)

		31 March 2022	31 March 2021
A.	**Opening balance of expenditure included in CWIP**	4,773.43	7,489.30
B.	**Additions to CWIP during the year**		
	Employee benefits expense (including gratuity)	-	512.16
	Finance costs*	457.45	2,874.45
	Travelling and conveyance	-	75.12
	Professional and consultancy fee	91.37	308.80
	Other expenses	3.66	201.41
	Total	**552.48**	**3,971.94**
C.	**Reduction in CWIP during the year**		
	Transferred to property, plant and equipment	2,905.07	6,687.81
	Reduction due to loss of control in subsidiaries (refer note 56 (b))	2,315.79	-
		5,220.87	6,687.81
D.	**Closing balance of expenditure in CWIP (A+B-C)**	**105.05**	**4,773.43**

** During the year, the Group has capitalised borrowing costs of ₹ 457.45 million (31 March 2021: ₹ 2,874.45 million) incurred on the borrowings availed for erection of transmission lines. The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the company's borrowings, in this case 9.25% p.a. to 12.45% p.a. (March 31, 2021: 10.50% p.a. to 11.50% p.a)*

NOTE 40: CAPITAL AND OTHER COMMITMENTS

a) Estimated amount of contracts of the Group remaining to be executed on capital account and not provided for (net of advances) are ₹ 17,626.80 million (March 31, 2021: ₹ 40,073.57 million). In addition, the Group has commitment related to further investment in joint ventures of ₹ 3,248.06 million (March 31, 2021: Nil).

b) Entities in power transmission grid business have entered into transmission service agreements (TSAs) with long term transmission customers pursuant to which these entities have committed to transmit power of contracted capacity and have also committed minimum availability of transmission line over the period of respective TSAs. The TSAs contain provision for disincentives and penalties in case of certain defaults.

c) The Group has entered into agreements with the lenders of following joint ventures wherein it has committed to hold, together with AMP Capital Infrastructure Investment No.2 S.A R.L. ('AMP Capital'), directly or indirectly at all times at least 51% of equity share capital of below mentioned joint venture entities and not to sell, transfer, assign, pledge or create any security interest except pledge of shares to the respective lenders as covered in respective agreements with lenders.

1. Goa Tamnar Transmission Project limited (GTTPL)
2. Lakadia Vadodara Transmission Limited (LVTPL)
3. Mumbai Urja Marg Liimited (formerly known as Vapi II-North Lakhimpur Transmission Limited) (VNLTL)
4. Udupi Kasargode Transmission Limited (UKTL)

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d) The Group has entered into agreements with the lenders of following subsidiaries wherein it has pleadged the equity share held in the subsidiary with the lender and agreed not to sell, transfer, assign, pledge or create any security interest except pledge of shares to the respective lenders as covered in respective agreements with lenders.
1. Marituba Transmission De Energia S.A.

e) The Group has provided commitment to fund the cost overruns over and above the estimated project cost or cash deficiency if any to the lenders of the project in subsidiaries to the extent as specified in the agreements executed with the respective lenders.

f) The Group has entered into service concession agreement in Brazil for construction & maintenance of service concession assets.

g) The Group has entered into a share purchase agreement with Vinci Energeia Fundo De Investimento EM Participacoes Infraestrutura for selling its stake in Vineyards Participacoes S.A. at a value agreed in the share purchase agreement subject the requisite approvals.

NOTE 41: CONTINGENT LIABILITIES

(₹ in million)

		31 March 2022	31 March 2021
1	**Disputed liabilities in appeal**		
	a) Excise duty	73.56	76.40
	b) Value Added Tax (VAT) and Central sales tax (refer note i below)	38.98	294.06
2	**Bank guarantees given**		
	- On behalf of India Grid Trust ('IGT')	25.00	25.00
	- To India Grid Trust ('IGT') for various claim with respect to sale of investments	1,336.00	1,000.00
3	**Corporate guarantees given:**		
	- Given on behalf of its related party revenue contract executed	188.60	188.60
	- To India Grid Trust ('IGT') for clearance of items mentioned in the share purchase agreement with respect to sale of ENICL	350.00	350.00
	- On behalf of its subsidiary for issuance of non-convertible debentures during the year	-	2,000.00

Further, pursuant to share purchase agreement with India Grid Trust, the Group is to indemnify India Grid Trust for entry tax demand of ₹ 252.78 million (March 31, 2021 ₹ 252.31 million) sales tax demands of ₹ 9.34 million (March 31, 2021: ₹ 43.88 million) and income tax act ₹ 27.92 million (March 31, 2021: ₹ 27.90 million) in relation to the Companies sold to the trust.

(i) The above Value Added Tax, Central Sales Tax and Entry Tax demand (along with the applicable interest, wherever levied) pertains to the following matters.

(a) Central Sales Tax demand of ₹ 16.80 million (31 March 2021 of ₹ 16.80 million) raised under the Delhi VAT Act, 2004 on account of non-submission of the declaration forms C pending to be received from the customers for the Assessment Year 2014-15.

(b) Value Added Tax, Central Sales Tax and Entry Tax demand of ₹ 14.31 million (31 March 2021 of ₹ 14.31 million) raised under the Madhya Pradesh VAT Act, 2002 on account of non-submission of the declaration forms EI/EII and Form 3 pending to be received / submitted for the Assessment Year 2015-16. The Company has deposited an amount of ₹ 4.77 million (31 March 2021: 4.77 million) while preferring the appeal in this matter.

(c) Central Sales Tax demand of ₹ 5.53 million (31 March 2021 ₹ 5.53 million) raised under the West Bengal VAT Act, 2003 on account of non-submission of the declaration forms C pending to be received / submitted for the Assessment Year 2014-15 and the Company has deposited an amount of ₹ 0.56 million (31 March 2021: ₹ 0.56 million) while preferring the appeal in this matter.

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(d) VAT and CST demand of ₹ Nil (31 March 2021: ₹ 30.95 million) pertains to Telangana VAT Act, 2003 on account on non discharge of VAT liability by sub- contractor for the period December 2015 to June 2017. The Company has deposited an amount of ₹ 3.44 million (31 March 2021: ₹ Nil million) while preferring the appeal in this matter.

(e) Central Sales Tax demand of ₹ 1.46 million (31 March 2021: 185.93 million) pertains to the demand raised under the Jharkhand VAT Act, 2005 on account of non-submission of the C form and EII forms pending to be received from the suppliers for the Assessment Year 2015-16, Assessment year 2016-17 and Assessment year 2017-18.

(f) Central Sales Tax demand of ₹ 0.88 million (31 March 2021: ₹ 0.88 million) pertains to the demand raised under the Odisha VAT Act, 2004 on account of non-submission of the E1 declaration forms pending to be received from the suppliers for the Assessment Year 2016-17 and 2017-18. The Company has deposited an amount of ₹ 0.10 million (31 March 2021: ₹ 0.10 million) while preferring the appeal in this matter.

g) Value Added Tax demand of ₹ Nil (31 March 2021: ₹ 12.78 million) raised under the Uttarakhand Vat Act,2005 on account of non-submission of the C Form pending to be received / submitted for the Assessment Year 2012-13, 2014-15 and 2015-16

h) Value Added Tax demand of ₹ Nil (31 March 2021: ₹ 12.64 million) raised under the Orissa Value Added Tax Act, 2004 on account of non-submission of the C Form pending to be received / submitted for the Assessment Year October-15 - March-16, April-16 - June-16 and April-14 - September-15.

i) Value Added Tax demand Nil (31 March 2021: ₹ 14.36 million) raised under the Dadra & Nagar Haveli Value Added Tax Act, 2005 on account of non-submission of the C Form pending to be received / submitted for the Assessment Year 2012-13, 2013-14, 2014-15, 2015-16 and July-16 - March-17.

The Company is contesting the demand by way of preferring appeals to the higher tax authorities and the management, including its tax advisors, believe that it's position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for the tax demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of the operations.

(ii) During the earlier year, one of the vendor involved in construction of power transmission infrastructure has filed arbitration proceedings against East-North Interconnection Company Limited ('ENICL') in relation to turnkey construction contract executed by in earlier years which is pending before Arbitral Tribunal. The management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the financial statements.

(iii) During the year, one of the MSME vendor has filed arbitration proceedings against the Company which is pending before Delhi International Arbitration Centre ("DIAC"). The Company had filed a writ petition to Hon. Delhi High Court basis which the High Court has ordered DIAC for stay of proceedings. The management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the financial statements.

NOTE 42: HEDGING ACTIVITIES AND DERIVATIVES

Cash flow hedges

Foreign exchange forward contracts

Foreign exchange forward contracts measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments, majorly for sales and purchases in USD and EUR. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates. The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

Commodity future contracts

Commodity future contracts entered on London Metal Exchange (LME) measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments for purchases of aluminium and copper. The futures contract balances vary with the level of expected quantity of purchases of aluminium and copper. The terms of the future contracts match the terms of the expected highly probable forecast transactions/firm commitments. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

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(All amounts in ₹ million unless otherwise stated)

The cash flow hedges during the year ended 31 March 2022 were assessed to be highly effective, and a net unrealised gain of ₹ 1,603.10 million (net of deferred tax of ₹ 538.28 million), (31 March 2021 ₹ 769.94 million) (net of deferred tax of ₹ 238.35 million) is included in other comprehensive income. The amounts retained in other comprehensive income at 31 March 2022 are expected to mature and affect the statement of profit and loss during the year ended 31 March 2023.

NOTE 43: DERIVATIVE INSTRUMENTS

(a) The following are the outstanding forward exchange contracts entered into by the Group, for hedge purpose, as on March 31, 2022:

	Foreign currency (In million)	Amount (₹ in million)	Buy/Sell	No. of contracts (Quantity)
March 31, 2022				
Hedge of payables, supplier's credit and highly probable foreign currency purchases	USD 101.33	7,681.30	Buy	141
Hedge of trade receivables, margin money deposits and highly probable sale	USD 119.99	8,645.76	Sell	60
Hedge of payables and highly probable purchases	EUR 1.05	88.72	Buy	3
Hedge of trade receivables and highly probable sale	EUR 6.68	565.94	Sell	10
March 31, 2021				
Hedge of payables, supplier's credit and highly probable foreign currency purchases	USD 95.03	6,985.05	Buy	101
Hedge of trade receivables, margin money deposits and highly probable sale	USD 60.44	4,442.84	Sell	66
Hedge of trade receivables and highly probable sale	EUR 15.94	1,372.60	Sell	20

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Amounts payable in foreign currency on account of the following:

(₹ in million)

Particulars	Currency type	March 31, 2022		March 31, 2021	
		Foreign currency	Amount	Foreign currency	Amount
Import of goods and services	USD	0.00*	0.13	0.85	62.56
	EUR	0.13	9.62	0.07	5.82

*Amount less than ₹ 0.00 million

(c) Commodity future contracts to hedge against fluctuation in commodity prices:

The following are the outstanding future contracts entered into by the Group as on year end:

Particulars	Commodity type	No. of contracts	Contracted quantity (MT)	Buy/Sell
March 31, 2022	Aluminium	127	34,622	Buy
March 31, 2022	Aluminium	19	9,345	Sell
March 31, 2022	Copper	6	153	Buy
March 31, 2022	Copper	4	149	Sell
March 31, 2021	Aluminium	143	60,705	Buy
March 31, 2021	Aluminium	31	10,359	Sell
March 31, 2021	Copper	4	323	Buy
March 31, 2021	Copper	1	275	Sell
March 31, 2021	Midwest premium on aluminium	4	100	Buy
March 31, 2021	Midwest premium on aluminium	4	100	Sell

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NOTE 44A: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. Pursuant to these amendments, the Group has given the significant additional disclosures, as applicable, in these Restated Consolidated Financial Information for all the periods/years presented.

(i) The Group has granted loans and made investment in its Joint ventures, associates, fellow subsidiaries and subsidiary of Joint venture. Loans has been given for general corporate purpose. In some of the cases, the associate have utilised borrowings for further investment as per their business requirement. Details of the loans are as follows and please refer Note 6 for the terms of the loans given.

31 March 2022

Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
Sterlite Grid 13 Limited	Joint venture	U29309DL2018PLC337962	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in non-convertible debentures	Various Dates	507.87
Sterlite Grid 14 Limited	Joint venture	U29300DL2018PLC339426	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in equity	Various Dates	0.10
Sterlite Grid 14 Limited	Joint venture	U29300DL2018PLC339426	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in non-convertible debentures	Various Dates	228.72
Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in compulsurly convertible debentures	Various Dates	50.50
Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in equity	Various Dates	618.11
Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in non-convertible debentures	Various Dates	964.36
Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in compulsurly convertible debentures	Various Dates	48.63
Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in equity	Various Dates	389.69
Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in non-convertible debentures	Various Dates	1,875.86
Sterlite Power Technologies Private Limited	Fellow Subsidiary	U74110HR2014PTC101972	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	35.00

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For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

NOTE 44B: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. Pursuant to these amendments, the Company has given the significant additional disclosures, as applicable, in these Financial statement for all the years presented.

The Joint ventures of the Group has availed loans and received investments from entities having significant influence over it ('Funding parties') for general corporate purpose. In some of the cases, the Company have utilised the money received for further investments and grant of loans to its subsidiaries ('Ultimate beneficiaries') as per its business requirement. Details of such further investments and loans are as follows:

Sterlite Grid 13 Limited

Details of funds received							Details of payments						
Sr No.	Name of the funding party	Relationship with funding party	CIN/Legal entity identifier (LEI) of funding party	Nature of funding	Amount received from funding party (₹ in million)	Date of receipt	Sr No.	Name of the ultimate beneficiary	Relationship with ultimate beneficiary	CIN of the ultimate beneficiary	Nature of payment	Amount paid to ultimate beneficiary (₹ in million)	Date of payment
1	Sterlite Power Transmission Limited	Entity having significant influence over the Company	CIN: U74120PN2015PLC156643	Issue of non-convertible debentures	507.87	Various Dates	1.1	Mumbai Urja Marg Limited (Erstwhile Vapi II-North Lakhimpur Transmission Limited)	Subsidiary of the Company	U40100DL2018GOI335750	Investment in equity shares	315.00	Various Dates
2	AMP Capital Infrastructure Investment No.2 S.A R.L.	Entity having significant influence over the Company	LEI: 549300DLDL48N6L2T465	Issue of non-convertible debentures	507.87	Various Dates	2.1	Mumbai Urja Marg Limited (Erstwhile Vapi II-North Lakhimpur Transmission Limited)	Subsidiary of the Company	U40100DL2018GOI335750	Investment in Compulsory convertible debentures	234.00	Various Dates

Sterlite Grid 14 Limited

Details of funds received							Details of payments						
Sr No.	Name of the funding party	Relationship with funding party	CIN/Legal entity identifier (LEI) of funding party	Nature of funding	Amount received from funding party (₹ in million)	Date of receipt	Sr No.	Name of the ultimate beneficiary	Relationship with ultimate beneficiary	CIN of the ultimate beneficiary	Nature of payment	Amount paid to ulltimate beneficiary (₹ in million)	Date of payment
1	Sterlite Power Transmission Limited	Entity having significant influence over the Company	CIN: U74120PN2015PLC156643	Issue of non-convertible debentures	228.73	Various Dates	1.1	Udupi Kasargode Transmission Limited	Subsidiary of the Company	U40100DL2018GOI342365	Investment in equity shares	115.13	Various Dates
2	AMP Capital Infrastructure Investment No.2 S.A R.L.	Entity having significant influence over the Company	LEI: 549300DLDL48N6L2T465	Issue of non-convertible debentures	228.73	Various Dates	2.1	Udupi Kasargode Transmission Limited	Subsidiary of the Company	U40100DL2018GOI342365	Investment in Compulsory convertible debentures	327.68	Various Dates

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(All amounts in ₹ million unless otherwise stated)

Sterlite Grid 18 Limited

Details of funds received							Details of payments						
Sr No.	Name of the funding party	Relationship with funding party	CIN/Legal entity identifier (LEI) of funding party	Nature of funding	Amount received from funding party (₹ in million)	Date of receipt	Sr No.	Name of the ultimate beneficiary	Relationship with ultimate beneficiary	CIN of the ultimate beneficiary	Nature of payment	Amount paid to ultimate beneficiary (₹ in million)	Date of payment
1	AMP Capital Infrastructure Investment No.2 S.A R.L.	Entity having significant influence over the Company	LEI: 549300DLDL48N6L2T465	Non-convertible debentures	964.36	Various Dates	1.1	Lakadia Vadodara Transmission Project Limited	Subsidiary of the Company	U40105DL2019GOI347349	Investment in equity shares	598.90	Various Dates
2	Sterlite Power Transmission Ltd.	Entity having significant influence over the Company	CIN: U74120PN2015PLC156643	Non-convertible debentures	964.36	Various Dates	2.1	Lakadia Vadodara Transmission Project Limited	Subsidiary of the Company	U40105DL2019GOI347349	Investment in Compulsory convertible debentures	2,645.70	Various Dates
3	AMP Capital Infrastructure Investment No.2 S.A R.L.	Entity having significant influence over the Company	LEI: 549300DLDL48N6L2T465	Compulsory convertible debentures	50.50	Various Dates							
4	Sterlite Power Transmission Ltd.	Entity having significant influence over the Company	CIN: U74120PN2015PLC156643	Compulsory convertible debentures	50.50	Various Dates							
5	AMP Capital Infrastructure Investment No.2 S.A R.L.	Entity having significant influence over the Company	LEI: 549300DLDL48N6L2T465	Equity share capital	618.01	Various Dates							
6	Sterlite Power Transmission Ltd.	Entity having significant influence over the Company	CIN: U74120PN2015PLC156643	Equity share capital	618.01	Various Dates							

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(All amounts in ₹ million unless otherwise stated)

Sterlite Grid 29 Limited

Details of funds received							Details of payments						
Sr No.	Name of the funding party	Relationship with funding party	CIN/Legal entity identifier (LEI) of funding party	Nature of funding	Amount received from funding party (₹ in million)	Date of receipt	Sr No.	Name of the ultimate beneficiary	Relationship with ultimate beneficiary	CIN of the ultimate beneficiary	Nature of payment	Amount paid to ulltimate beneficiary (₹ in million)	Date of payment
1	AMP Capital Infrastructure Investment No.2 S.A R.L.	Entity having significant influence over the Company	LEI: 549300DLDL48N6L2T465	Non-convertible debentures	1,313.96	Various Dates	1.1	Goa-Tamnar Transmission Project Ltd.	Subsidiary of the Company	U40106DL2017GOI310611	Investment in equity shares	857.40	Various Dates
2	Sterlite Power Transmission Ltd.	Entity having significant influence over the Company	"CIN: U74120PN2015PLC156643"	Non-convertible debentures	1,313.96	Various Dates	2.1	Goa-Tamnar Transmission Project Ltd.	Subsidiary of the Company	U40106DL2017GOI310611	Unsecured loans granted	2,628.08	Various Dates
3	AMP Capital Infrastructure Investment No.2 S.A R.L.	Entity having significant influence over the Company	LEI: 549300DLDL48N6L2T465	Compulsory convertible debentures	48.63	Various Dates							
4	Sterlite Power Transmission Ltd.	Entity having significant influence over the Company	"CIN: U74120PN2015PLC156643"	Compulsory convertible debentures	48.63	Various Dates							
5	AMP Capital Infrastructure Investment No.2 S.A R.L.	Entity having significant influence over the Company	LEI: 549300DLDL48N6L2T465	Equity share capital	390.87	Various Dates							
6	Sterlite Power Transmission Ltd.	Entity having significant influence over the Company	"CIN: U74120PN2015PLC156643"	Equity share capital	389.69	Various Dates							

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NOTE 44C: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

(i) The Group has availed borrowings from the banks and financial institutions on the basis of security of current assets. The Group files the statement of current assets with the bank on periodical basis. Following are the discrepancies between books of accounts and quarterly statements submitted to the lenders, where borrowings have been availed based on security of current assets:

A. Sterlite Power Transmission Limited*:

1. Inventory

S. No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling Items					Amount as per books of accounts	Net difference
			Provision for inventory (refer note 1)	Material in transit (refer note 2)	Contract asset (refer note 3)	Supplier credit (refer note 4)	Others (refer note 5)		
1	Jun-21	4,102.05	-	-	1,212.38	-	-	2,889.67	-
2	Sep-21	3,979.32	117.40	-	1,297.23	-	-	2,564.69	-
3	Dec-21	4,311.53	-	2.41	1,400.80	-	-	2,913.14	-
4	Mar-22	3,391.74	-	305.09	1,492.25	-	-	2,204.57	-

Note 1 Balances for provision for inventory were not considered in the quarterly statement submitted to the lenders.

Note 2 Balances for material in transit were not considered in the quarterly statement submitted to the lenders.

Note 3 Balances for contract asset arising from EPC contracts which forms part of other current assets in the books of accounts were considered in inventory in the quarterly statement submitted to the lenders.

2. Trade payable

S.No.	Quarter	Amount as reported in the quarterly turn/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for services and expenses (refer note 1)	Advance to vendor (refer note 2)	Trade payables not backed by letter of credit (refer note 3)	Others (refer note 4)		
5	Jun-21	8,249.92	898.13	852.09	3,366.90	-	13,367.04	-
6	Sep-21	9,828.56	1,164.41	833.98	3,467.43	-	15,294.38	-
7	Dec-21	9,818.01	2,567.43	1,178.89	453.50	314.79	13,703.04	-
8	Mar-22	9,663.60	2,960.24	923.61	-	549.55	12,997.90	-

Note 1 Balance for payables for service and provision for expenses were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advance given to vendors which forms part of other current assets in the books of accounts were considered in trade payables in the quarterly statement submitted to the lenders.

Note 3 Balance of trade payables not backed by letter of credit were not considered in the quarterly statement submitted to the lenders.

Note 4 Balance of short term borrowings which is included in the trade payable in the quarterly return submitted to the lenders

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3. Trade receivables

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for doubtful debts (refer note 1)	Advance from customers (refer note 2)	Trade receivables pertaining to finished goods in transit (refer note 4)	Others (refer note 3)		
1	Jun-21	3,093.62	384.18	5,956.00	-	-	9,433.80	-
2	Sep-21	3,801.15	610.10	7,731.96	760.00	-	11,683.01	-
3	Dec-21	6,304.77	805.19	8,228.68	-	2,352.78	11,375.48	-
4	Mar-22	7,625.43	841.04	8,213.97	-	1,506.57	13,491.50	-

Note 1 Balance for provision for trade receivables were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advances received from customer which forms part of other liabilities in the books of accounts were considered in the quarterly statement submitted to the lenders.

Note 3 Others includes balance of unbilled revenue pertaining to subsidiary or contract asset which forms part of other assets in the books of accounts which were considered in the quarterly statement submitted to the lenders.

Note 4 Balance of receivables pertaining to the finished goods in transit were considered in the quarterly statement submitted to the lenders.

** State Bank of India, Axis Bank, Yes Bank, ICICI Bank, Corporation Bank, Bank of Maharashtra, IDBI Bank, Bank of Baroda, HDFC Bank, Union Bank of India, Federal Bank RBL BANK, EXIM Bank, are the working capital lenders for Sterlite Power Transmission Limited to which the quarterly stock statements are submitted to the lenders at standalone level.*

NOTE 44D: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

A. Sterlite Power Transmission Limited*:

1. Inventory

S. No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling Items					Amount as per books of accounts	Net difference
			Provision for inventory (refer note 1)	Material in transit (refer note 2)	Contract asset (refer note 3)	Supplier credit (refer note 4)	Others (refer note 5)		
1	Jun-20	4,531.70	69.40	-	2,045.74	356.90	43.50	2,816.96	-
2	Sep-20	4,166.40	96.40	-	1,827.70	158.00	-	2,400.30	-
3	Dec-20	4,358.00	85.60	-	1,231.00	-	-	3,041.40	-
4	Mar-21	4,114.10	71.50	117.62	1,279.80	-	197.98	3,078.40	-

Note 1 Balances for provision for inventory were not considered in the quarterly statement submitted to the lenders.

Note 2 Balances for material in transit were not considered in the quarterly statement submitted to the lenders.

Note 3 Balances for contract asset arising from EPC contracts which forms part of other current assets in the books of accounts were considered in inventory in the quarterly statement submitted to the lenders.

Note 4 Balances of suppliers credit which forms part of borrowings on the books of accounts were adjusted in the inventory in the quarterly statement submitted to the lenders.

Note 5 Other balances included inventory balance of packing material and master system integration division which were not considered in the quarterly statement submitted to the lenders.

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2. Trade payable

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for services and expenses (refer note 1)	Advance to vendor (refer note 2)	Trade payables not backed by letter of credit (refer note 3)	Others (refer note 4)		
1	Jun-20	6,769.20	1,013.90	128.90	-	628.00	7,284.00	-
2	Sep-20	5,278.20	1,739.10	127.00	-	208.00	6,936.30	-
3	Dec-20	4,411.90	1,744.30	121.20	-	-	6,277.40	-
4	Mar-21	4,962.50	2,208.20	113.30	-	-	7,284.00	-

Note 1 Balance for payables for service and provision for expenses were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advance given to vendors which forms part of other current assets in the books of accounts were considered in trade payables in the quarterly statement submitted to the lenders.

Note 3 Balance of trade payables not backed by letter of credit were not considered in the quarterly statement submitted to the lenders.

Note 4 Balance of short term borrowings which is included in the trade payable in the quarterly return submitted to the lenders

3. Trade receivables

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items			Amount as per books of accounts	Net difference
			Provision for doubtful debts (refer note 1)	Advance from customers (refer note 2)	Others (refer note 3)		
1	Jun-20	5,441.00	268.02	1,158.12	232.00	6,563.10	-

Note 1 Balance for provision for trade receivables were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advances received from customer which forms part of other liabilities in the books of accounts were considered in the quarterly statement submitted to the lenders.

Note 3 Others includes balance of unbilled revenue pertaining to subsidiary or contract asset which forms part of other assets in the books of accounts which were considered in the quarterly statement submitted to the lenders.

** State Bank of India, Axis Bank, Yes Bank, ICICI Bank, Corporation Bank, Bank of Maharashtra, IDBI Bank, Bank of Baroda, HDFC Bank, Union Bank of India, Federal Bank RBL BANK, EXIM Bank, IndusInd Bank are the working capital lenders for Sterlite Power Transmission Limited to which the quarterly stock statements are submitted to the lenders.*

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(All amounts in ₹ million unless otherwise stated)

Sterlite Power Grid Ventures Limited (Merged with Sterlite Power Transmission Limited during the financial year ended March 31, 2021.

1 Trade payable

S.No.	Quarter	Amount as per stock statement	Reconciling Items	Derived balance	Amount as per F.S.	Net Difference
			Trade payables not backed by letter of credit (refer note 1)			
1	Jun-20	421.70	5,190.80	5,612.50	5,612.50	-
2	Sep-20	463.40	5,030.30	5,493.70	5,493.70	-
3	Dec-20	1,228.00	3,699.30	4,927.30	4,927.30	-
4	Mar-21	1,575.90	6,034.20	7,610.10	7,610.10	-

Note 1 Balance of trade payables not backed by letter of credit were not considered in the quarterly statement submitted to the lenders.

** State Bank of India and HDFC Bank are the working capital lenders for erstwhile Sterlite Power Grid Ventures Limited to which the quarterly stock statements were submitted to the lenders at standalone level.*

B. There are no outstanding short term working capital loans and cash credit limits as at March 31, 2022 for the Company

NOTE 44E: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

(iii) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(iv) The Group do not have any transactions with companies struck off.

(v) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except that with State Bank of India for working capital facility that has been sanctioned to the Group against which the charge for additional security demanded by the bank has not been created before the end of the statutory period.

(vi) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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NOTE 45A: EMPLOYEE STOCK APPRECIATION RIGHTS (ESAR)

ESAR scheme 2017

The Group has granted Nil (March 31, 2021: 0.69 million) Employee Stock Appreciation Rights (ESARs) to eligible employees under the Employee Stock Appreciation Rights plan 2017 ("ESAR 2017") Scheme ("Scheme") as approved by the Committee formed under the Scheme vide Board Resolution dated 8 October 2017.

	March 31, 2022		March 31, 2021	
	Numbers	Amount (₹ in million)	Numbers	Amount (₹ in million)
Opening balance as at the beginning of the year	6,28,472	307.65	6,97,122	54.36
ESAR granted during the period	-	-	25,675	1.70
ESAR cancelled	-	(16.37)	(94,325)	(9.09)
Payment towards ESARs vested	(6,28,472)	(291.28)	-	-
Balance	-	-	6,28,472	46.97
Accrual for the year and impact of change in FMV of equity share*	-	-	-	260.68
Closing balance as at the end of the year	**-**	**-**	**6,28,472**	**307.65**

** Including amount capitalised during the period.*

During the year the Company has reversed expense of ₹ 16.37 in statement of profit & loss account and ₹ 291.28 million has been paid to employees towards ESAR vested.

NOTE 45B: PERFORANCE CASH INCENTIVE PLAN FOR EMPLOYEE

Long Term Incentive Plan 2022

During the year, the Group introduced Sterlite Power Plus Performance Cash Incentive Plan– 2021 ('Performance Cash Incentive Plan') for its employees pursuant to the approval from the Nomination and Remuneration committee vide resolution dated September 24, 2021. Performance Cash Incentive Plan is designed to provide annual incentives to the employees of the Group to contribute towards long term performance of the Group and achievement of the Group's goals. It is a cash settled plan.

The Nomination and remuneration committee of the Group has approved related vesting conditions for the financial year ended March 31, 2022. Vesting of the benefits under Performance Cash Incentive Plan would be subject to continuous employment with the Group and certain performance parameters subject to which the incentives would vest. The total cash incentives payable as per the Performance Cash Incentive Plan are approved by the Nomination and remuneration committee and the cash pay out will be spread over a period of 3 years as per the pay out schedule specified in the Performance Cash Incentive Plan based on the performance parameters achieved by the Group for the financial year ended March 31, 2022.

The Group has recorded liability towards Performance Cash Incentive Plan based on the projected unit completion method. The Group has used certain assumptions such as attrition rate and discount rate to derive the present value of the obligation under Performance Cash Incentive Plan which are mentioned below:

Following is the reconciliation of provision for LTIP outstanding:

(₹ in million)

	31 March 2022	31 March 2021
	Amount (₹ in million)	Amount (₹ in million)
Opening balance as at the beginning of the year		
LTIP provision during the year	114.30	-
LTIP provision reversed during the year	-	-
Payment towards LTIP vested	-	-
Balance LTIP	**114.30**	**-**
Accrual for the year	-	-
Closing balance as at the end of the year	**114.30**	**-**

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NOTE 46: LEASE LIABILITY

The Group has long term lease contacts for office premises and various vehicles. Information about leases for which the Group is lessee is presented below.

Lease liabilities

Maturity analysis - contractual undiscounted cash flows	(₹ in million)
Less than one year	124.62
One to two years	95.44
Two to five years	359.29
More than five years	-
Total undiscounted lease liabilities as at balance sheet date	**579.35**

Set out below, are the carrying amount of the Group's liabilities and the movement during the period.

Particulars	(₹ in million)
Opening lease liabilities as at April 01, 2021	53.05
Add: Additions/(deductions)	566.71
Add: Interest expense	19.59
Less: Adjustments	26.32
Less: Payments	(86.31)
As at March 31, 2022	**579.36**
Current	124.62
Non-current	454.74

The weighted average incremental borrowing rate for discounting lease payments for India: 9.83% p.a. to 11.75% p.a. (March 31, 2021: 9.83% p.a. to 11.75% p.a.) and for Brazil: 10.24% p.a. (March 31, 2021: 10.24% p.a.)

NOTE 47 (A): STATUTORY GROUP INFORMATION (SHARE IN NET ASSETS)

	Net assets, i.e., total assets minus total liabilities (March 31, 2022)		Net assets, i.e., total assets minus total liabilities (March 31, 2021)	
	As % of consolidated net assets	(₹ in million)	As % of consolidated net assets	(₹ in million)
Parent				
Sterlite Power Transmission Limited	43.94%	7,464.41	-29.65%	(3,251.44)
Subsidiaries				
- **Indian**				
Sterlite Convergence Limited	0.67%	114.61	0.79%	86.36
Sterlite EdIndia Foundation	0.02%	2.58	0.01%	1.47
Sterlite Grid 4 Limited^	-	-	23.42%	2,568.22
Sterlite Grid 5 Limited	-0.13%	(21.33)	0.01%	1.41
Sterlite Grid 6 Limited	0.00%	(0.17)	-0.01%	(0.73)
Sterlite Grid 7 Limited	0.00%	(0.15)	0.00%	(0.14)
Sterlite Grid 8 Limited	(0.00)	(0.18)	0.00%	(0.14)
Sterlite Grid 9 Limited	(0.00)	(0.17)	0.00%	(0.15)
Sterlite Grid 10 Limited	0.00%	(0.18)	0.00%	(0.14)
Sterlite Grid 11 Limited	0.00%	(0.18)	0.00%	(0.15)
Sterlite Grid 12 Limited	0.00%	(0.18)	0.00%	(0.17)
Sterlite Grid 14 Limited	-	-	0.00%	(0.34)

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	Net assets, i.e., total assets minus total liabilities (March 31, 2022)		Net assets, i.e., total assets minus total liabilities (March 31, 2021)	
	As % of consolidated net assets	(₹ in million)	As % of consolidated net assets	(₹ in million)
Sterlite Grid 15 Limited	0.00%	0.37	0.00%	(0.17)
Sterlite Grid 16 Limited	0.00%	(0.01)	0.00%	0.02
Sterlite Grid 17 Limited	(0.00)	(0.01)	0.00%	(0.02)
Sterlite Grid 18 Limited	-	-	0.01%	0.60
Sterlite Grid 19 Limited	(0.00)	(0.00)	0.00%	(0.02)
Sterlite Grid 20 Limited	0.00%	0.00	0.00%	(0.02)
Sterlite Grid 21 Limited	0.00%	0.01	0.00%	(0.02)
Sterlite Grid 22 Limited	0.00%	0.00	0.00%	(0.02)
Sterlite Grid 23 Limited	0.00%	0.67	0.00%	0.38
Sterlite Grid 24 Limited	0.00%	0.34	0.00%	0.37
Sterlite Grid 25 Limited	0.00%	0.34	0.00%	0.37
Sterlite Grid 26 Limited	0.47%	79.58	0.00%	0.37
Sterlite Grid 27 Limited	0.00%	0.34	0.00%	0.36
Sterlite Grid 28 Limited	0.00%	(0.40)	0.01%	0.85
Sterlite Grid 29 Limited	0.00%	(0.62)	-0.02%	(1.95)
Sterlite Grid 30 Limited (previously known as NRSS XXIS JS Transmission limited)	0.00%	(0.16)	0.00%	(0.01)
One Grid Limited	0.00%	0.03	0.00%	0.10
Maharashtra Transmission Communication Infrastructure Limited	3.22%	547.85	-	-
Nangalbibra-Bongaigaon Transmission Limited**	-2.07%	(351.58)	-	-
Khargone Transmission Limited	22.35%	3,797.31	40.50%	4,440.90
Lakadia Vadodara Transmission Project Limited	-	-	10.30%	1,129.85
Goa-Tamnar Transmission Project Limited	-	-	3.86%	423.45
Udupi Kasargode Transmission Limited	-	-	2.94%	322.04
- **Foreign**				
Sterlite Brazil Participacoes S.A	-12.92%	(2,194.62)	9.50%	1,042.01
Se Vineyards Power Transmission S.A.	9.46%	1,607.45	11.81%	1,294.80
Vineyards Participacoes S.A.	-15.55%	(2,641.12)	-	-
Dunas Transmissão de Energia S.A*	-	-	2.98%	327.31
Borborema Transmissão de Energia S.A.	14.07%	2,389.96	3.12%	342.24
Borborema Participacoes S.A.	-39.25%	(6,668.37)	-	-
São Francisco Transmissão de Energia S.A.	3.27%	555.69	2.75%	301.79
Goyas Transmissão de Energia S.A.	30.93%	5,254.55	3.04%	333.40
Marituba Transmissão de Energia S.A.	22.56%	3,831.95	3.20%	351.26
Solaris Transmissão de Energia S.A.	17.47%	2,967.20	3.26%	357.63
Associates				
- **Indian**				
Sterlite Investment Managers Limited	-	-	0.43%	47.14
Sterlite Interlinks Limited	0.08%	12.85	0.11%	12.59
NER-II Transmission Limited*	-	-	7.61%	834.36
Joint Venture				
- **Indian**				
Sterlite Grid 13 Limited	-	-	-	-

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	Net assets, i.e., total assets minus total liabilities (March 31, 2022)		Net assets, i.e., total assets minus total liabilities (March 31, 2021)	
	As % of consolidated net assets	(₹ in million)	As % of consolidated net assets	(₹ in million)
Sterlite Grid 14 Limited	-	-	-	-
Sterlite Grid 18 Limited	-	-	-	-
Sterlite Grid 29 Limited	1.41%	238.94	-	-
Total	**100.00%**	**16,987.59**	**100.00%**	**10,966.05**

** sold during the year*

*** Company incorporated during the year*

^ Company merged with Sterlite Power Transmission Limited w.e.f. 15 March 2022 (refer note 56)

NOTE 47B: STATUTORY GROUP INFORMATION (SHARE IN PROFIT OR LOSS)

	Share in profit or loss (Period ended March 31, 2022)		Share in profit or loss (Period ended March 31, 2021)	
	As % of profit/ loss for the period	(₹ in million)	As % of profit/ loss for the period	(₹ in million)
Parent				
Sterlite Power Transmission Limited	89%	3,911.16	27%	2,327.56
Subsidiaries				
- **Indian**				
Sterlite Convergence Limited	0%	(21.92)	0%	(25.70)
Sterlite EdIndia Foundation	-1%	(30.43)	0%	(20.52)
Sterlite Grid 4 Limited^	93%	4,114.59	-	7,215.77
Sterlite Grid 5 Limited	0%	(2.76)	-	(5.50)
Sterlite Grid 6 Limited	0%	(0.83)	0%	(0.15)
Sterlite Grid 7 Limited	0%	(0.84)	0%	(0.16)
Sterlite Grid 8 Limited	0%	(0.84)	0%	(0.16)
Sterlite Grid 9 Limited	0%	(0.83)	0%	(0.16)
Sterlite Grid 10 Limited	0%	(0.83)	0%	(0.16)
Sterlite Grid 11 Limited	0%	(0.83)	0%	(0.15)
Sterlite Grid 12 Limited	0%	(1.42)	0%	(0.93)
Sterlite Grid 14 Limited	-	-	0%	(0.42)
Sterlite Grid 15 Limited	0%	(0.82)	0%	(0.75)
Sterlite Grid 16 Limited	0%	(0.03)	0%	(0.61)
Sterlite Grid 17 Limited	0%	(0.03)	0%	(0.61)
Sterlite Grid 18 Limited	-	-	0%	(0.30)
Sterlite Grid 19 Limited	0%	(0.63)	0%	(0.61)
Sterlite Grid 20 Limited	0%	(0.63)	0%	(0.73)
Sterlite Grid 21 Limited	0%	(0.63)	0%	(0.61)
Sterlite Grid 22 Limited	0%	(0.62)	0%	(0.61)
Sterlite Grid 23 Limited	0%	(0.03)	0%	(0.61)
Sterlite Grid 24 Limited	0%	(0.03)	0%	(1.21)
Sterlite Grid 25 Limited	0%	(0.03)	0%	(0.62)
Sterlite Grid 26 Limited	0%	(0.10)	0%	(1.21)
Sterlite Grid 27 Limited	0%	(0.63)	0%	(0.63)
Sterlite Grid 28 Limited	0%	(1.26)	0%	(0.73)

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	Share in profit or loss (Period ended March 31, 2022)		Share in profit or loss (Period ended March 31, 2021)	
	As % of profit/ loss for the period	(₹ in million)	As % of profit/ loss for the period	(₹ in million)
Sterlite Grid 29 Limited	-	-	0%	(2.94)
Sterlite Grid 30 Limited (previously known as NRSS XXIX JS Transmission limited)	0%	(0.21)	0%	(0.14)
One Grid Limited	0%	(0.04)	-	-
Nangalbibra-Bongaigaon Transmission Limited**	0%	(3.72)	-	-
Gurgaon-Palwal Transmission Limited	-	-	0%	32.34
Khargone Transmission Limited	0%	0.28	1%	110.89
NER-II Transmission Limited	-	-	-1%	(82.30)
Lakadia Vadodara Transmission Project Limited	-	-	0%	(6.60)
Goa-Tamnar Transmission Project Limited	-	-	0%	(2.74)
Udupi Kasargode Transmission Limited	-	-	0%	(5.06)
- **Foreign**				
Sterlite Brazil Participacoes S.A	-4%	(169.76)	-8%	(718.62)
Se Vineyards Power Transmission S.A.	0%	(4.69)	0%	(16.69)
Vineyards Participacoes S.A.	-8%	(331.33)	-	-
Dunas Transmissão de Energia S.A*	0%	2.95	0%	12.69
Borborema Transmissão de Energia S.A.	-2%	(71.27)	0%	(35.12)
GBS Participacoes S.A. (Formerly known as Borborema Participacoes S.A.)	-4%	(164.11)	-	-
São Francisco Transmissão de Energia S.A.	0%	4.62	0%	(23.84)
Goyas Transmissão de Energia S.A.	-6%	(271.07)	0%	(16.61)
Marituba Transmissão de Energia S.A.	0%	(17.80)	0%	(14.79)
Solaris Transmissão de Energia S.A.	3%	144.42	0%	(24.11)
Associates				
- **Indian**				
Sterlite Investment Managers Limited	-	-	0%	10.22
Sterlite Interlinks Limited	0%	0.26	0%	1.69
Joint Venture				
- **Indian**				
Sterlite Grid 13 Limited	-32%	(1,424.93)	-	-
Sterlite Grid 14 Limited	-2%	(96.56)	-	-
Sterlite Grid 18 Limited	-19%	(847.88)	-	-
Sterlite Grid 29 Limited	-7%	(306.50)	-	-
Total	**100.00%**	**4,401.42**	**17.10%**	**8,697.74**

** sold during the year*

*** Company incorporated during the year*

^ Company merged with Sterlite Power Transmission Limited w.e.f. 15 March 2022 (refer note 56)

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NOTE 48: STATUTORY GROUP INFORMATION (SHARE IN OTHER COMPREHENSIVE INCOME

	Share in other comprehensive income (year ended March 31, 2022)		Share in other comprehensive income (year ended March 31, 2021)	
	As % of OCI for the year	(₹ in million)	As % of OCI for the year	(₹ in million)
Parent				
Sterlite Power Transmission Limited	80.07%	4,178.05	142.99%	2,175.42
Foreign subsidiaries				
Sterlite Brazil Participacoes S.A	19.93%	1,040.09	-42.99%	(654.05)
Total	**100.00%**	**5,218.15**	**100.00%**	**1,521.37**

NOTE 49: IMPACT OF ACQUISITION OF MAHARASHTRA TRANSMISSION COMMUNICATION INFRASTRUCTURE LIMITED ('MTCIL')

The Group has acquired Maharashtra Transmission Communication Infrastructure Limited ('MTCIL') which is engaged in the business of making available fiber capacity on lease rental to retail, wholesale and enterprise /corporate customers, drawn from Optical Power Ground Wire (OPGW) network. The purchase consideration primarily pertains to the fair value of the telecommunication infrastructure assets. As the fair value of MTCIL is substantially concentrated in the property, plant and equipment, the management has considered acquisition of MTCIL as an asset acquisition. As the acquisition is considered as an Asset acquisition, consideration of ₹ 278.65 million paid over and above the book values of net assets as at date of acquisition of MTCIL has been adjusted to the cost of property, plant and equipment in the consolidated books of account.

(a) Balance sheet of Maharashtra Transmission Communication Infrastructure Limited as on March 31, 2022

(₹ in million)

Particulars	31 March 2022
ASSETS	
Non-current assets	
Property, plant and equipment	858.62
Capital work-in-progress	55.25
Other intangible assets	27.40
Financial assets	
i. Other financial assets	0.27
Income tax asset (net)	115.60
Other non-current assets	16.30
Total non-current assets	**1,073.44**
Financial assets	
i. Trade receivables	251.40
ii. Cash and cash equivalents	65.67
iii. Bank balances other than (ii) above	971.62
iv. Other financial assets	5.51
Other current assets	1.49
Total current assets	**1,295.69**
TOTAL ASSETS	**2,369.13**
EQUITY AND LIABILITIES	
EQUITY	
Equity share capital	345.51

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(₹ in million)

Particulars	31 March 2022
Other equity	
i. Securities premium	6.67
ii. Retained earnings	-170.37
ii. Other reserves	51.00
Total equity	**232.81**
LIABILITIES	
Non-current liabilities	
Financial liabilities	
i. Borrowings	88.05
ii. Lease liabilities	6.91
iii. Other financial liabilities	8.83
Employee benefit obligations	2.06
Other non-current liabilities	1,865.52
Total non-current liabilities	**1,971.37**
Current liabilities	
Financial liabilities	
i. Short term borrowings	0.92
ii. Lease liabilities	0.07
iii. Trade payables	0.34
iv. Other financial liabilities	81.75
Employee benefit obligations	0.40
Current tax liability (net of advance tax and TDS)	81.48
Total current liabilities	**164.95**
TOTAL LIABILITIES	**2,369.13**

NOTE 50: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include Investments, loans, trade and other receivables, cash and short-term deposits and other financial assets that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Group reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

Management has overall responsibility for the establishment and oversight of the Group's risk management framework.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

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The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2022.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analysis:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate primarily relates to the Group's long term debt obligations with floating interest rates.

The Group is exposed to the interest rate fluctuation in both domestic and foreign currency borrowing. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. At March 31, 2022, 2.62 % of the Group's borrowings are at a fixed rate of interest (March 31, 2021: 11.90%).

Further, the Group does not record borrowings at fair value through profit and loss.

Interest rate sensitivity

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

(₹ in million)

	Increase/ decrease in basis points	Effect on profit before tax / pre-tax equity *
31 March 2022		
Base Rate	+50	6.67
Base Rate	-50	(6.67)
31 March 2021		
Base Rate	+50	(193.37)
Base Rate	-50	(193.37)

**Part of the interest costs pertaining to under construction projects get capitalised. The figures for sensitivity in the above table are before considering the capitalisation of interest costs.*

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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the group’s operating activities (when revenue or expense is denominated in a foreign currency) and foreign currency borrowings.

The Group has a policy to keep minimum forex exposure on the books that are likely to occur within a maximum 12-month period for hedges of forecasted sales and purchases.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Out of total foreign currency exposure the Group has hedged the exposure of 99.99% as at March 31, 2022 and 94.36% as at March 31, 2021.

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Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Group’s pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Group’s exposure to foreign currency changes for all other currencies is not material. With all the other variable held constant, the Group's profit before tax is affected through the impact on change of foreign currency rate as follows:

(₹ in million)

	Change in USD rate	Effect on profit before tax / pre-tax equity	Change in Euro rate	Effect on profit before tax / pre-tax equity
31 March 2022*	+5%	(0.48) / (0.36)	+5%	(0.01) / (0.01)
	-5%	0.48 / 0.36	-5%	0.01 / 0.01
31 March 2021*	+5%	(11.16) / (8.35)	+5%	(0.29) / (0.22)
	-5%	11.16 / 8.35	-5%	0.29 / 0.22

**Does not include sensitivity with respect to interest on borrowings associated with assets classified as held for sale. Refer note 10.*

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of aluminium and copper for manufacture of conductor and OPGW, power cables and therefore require a continuous supply of aluminium and copper. Due to the volatility of the price of aluminium and copper, the group enters into various purchase contracts for aluminium and copper on London Metal Exchange. The prices in these purchase contracts are linked to the price on London Metal Exchange.

The Group has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Based on a 1 month forecast of the required copper, and aluminium supply, the group hedges the purchase price using future commodity purchase contracts. The forecast is deemed to be highly probable.

Commodity price sensitivity

As per the Group's policy for commodity price hedging, all the commodity price exposures as on reporting dates are fully hedged. Thus, there are no open unhedged exposures on the reporting dates.

Equity price risk

The Group's investment in equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group’s senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions

At the reporting date, the exposure to non-listed equity shares at fair value was ₹ 112.45 million (March 31, 2021: ₹ 398.60 million). Refer note 52.

During the previous year, as referred in note 10, the Company entered into an agreement to sell 87.54 million units of India Grid Trust at an agreed amount hence these units were not considered for sensitivity analysis. Further, the Company continued to hold 0.10 million units in the India Grid Trust which were carried at cost. In the previous year, the Company has sold 85.51 million units of India Grid Trust and the balance have been included for sensitivity analysis in the previous financial year ended March 31, 2021.

(₹ in million)

Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value	
			31 March 2022	31 March 2021
Investment at fair value of India Grid Trust	March 31, 2022: Not applicable	+0.50%	-	1.43
	March 31, 2021: ₹ 140.24 per unit	-0.50%	-	(1.43)

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Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group does not hold collateral as security. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

The Group is also engaged in transmission infrastructure development business under BOOM (Build, Own, Operate and Maintain) and currently derive its revenue primarily from BOOM contracts with long term transmission customers ('LTTC'). The Group being transmission licensee receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the PoC method, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility ('CTU') from LTTC's are disbursed pro-rata to all Transmission Service Providers ('TSPs') from the pool in proportion of the respective billed amount. Due to this, the TSPs are shielded against any potential default by a particular customer. If a particular customer delays or defaults, the delay or shortfall is prorated amongst all the TSPs. Based on past history of payments, payments due have always been paid and there have been no write-off's for due amounts. Due to the payment mechanism explained above as well as due to no history of any write-off's of payments which were due, the Group has not considered any expected credit loss on the financial assets in the nature of trade receivables of transmission business. During the various periods presented, there has been no change in the credit risk of trade receivables of transmission business. However, this assessment may need a review if there is any change in the Pooling Regulations.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Based on this policy, the Group does not foresee any risk on account of credit losses, either in the bank deposits which are made with AAA rated banks and also in regard to mutual funds which is primarily debt oriented funds. No loss allowances have been provided for any trade receivables, or other receivables from financing activities like cash and bank deposits, mutual funds and other similar deposits. Also, there have been no modifications in contractual cash flows on financial assets.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 and March 31, 2021 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Group's maximum exposure relating to financial guarantees and financial derivative instruments is noted in note 41 and note 43 and the liquidity table below.

(c) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current

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(All amounts in ₹ million unless otherwise stated)

operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 60 - 90 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

₹ in million

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 year to 5 years	> 5 years	Total
As at March 31, 2022*						
Borrowings	1,852.76	450.47	3,635.02	271.21	15,629.07	21,838.52
Other financial liabilities	-	362.47	1,852.93	176.13	-	2,391.54
Trade payables	-	16,688.23	-	-	-	16,688.23
Payables for Property, plant and equipment	-	81.93	392.41	-	-	474.34
Derivatives	-	7.46	-	-	-	7.46
Lease liability	-	39.90	84.72	454.74	-	579.36
	1,852.76	**17,630.47**	**5,965.07**	**902.08**	**15,629.07**	**41,979.45**
As at March 31, 2021*						
Borrowings	2,799.34	2,829.64	2,875.67	8,675.84	10,580.44	27,760.92
Other financial liabilities	-	2,088.42	575.69	-	-	2,664.11
Trade payables	-	-	6,234.40	-	-	6,234.40
Payables for Property, plant and equipment	-	-	7,618.73	93.84	-	7,712.57
Derivatives	-	115.63	-	-	-	115.63
Lease liability	-	14.61	17.98	20.46	-	53.05
	2,799.34	**5,048.30**	**17,322.46**	**8,790.14**	**10,580.44**	**44,540.69**

*does not include liabilities classified as held for sale.

NOTE 51: CAPITAL MANAGEMENT

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

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents excluding discontinued operations.

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest bearing loans and borrowings	21,486.70	27,760.93
Lease liabilities	579.36	53.05
Trade payables	16,688.24	6,234.40
Other financial liabilities	3,120.66	10,492.32
Less: cash and short-term deposits and current investments	(13,500.53)	(9,761.69)
Net debt (A) *	**28,374.42**	**34,779.01**

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(All amounts in ₹ million unless otherwise stated)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity share capital	122.36	122.36
Other equity	33,771.30	10,843.68
Total capital (B)	**33,893.65**	**10,966.05**
Capital and net debt [C = (A+B)]	**62,268.08**	**45,745.05**
Gearing ratio	**45.57%**	**76.03%**

** Does not include amounts associated with disposal groups classified as held for sale (Refer note 10).*

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

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.

NOTE 52: FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ in million)

Particulars	Carrying value		Fair value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial assets				
Investment in Joint Ventures and associates	350.92	59.73	350.92	59.73
Investment in units	-	286.15	-	286.15
Investment others	112.45	112.45	112.45	112.45
Investment in mutual funds	-	9.07	-	9.07
Derivative instruments	522.69	1,173.86	522.69	1,173.86
Total	**635.14**	**1,581.53**	**635.14**	**1,581.53**
Financial liabilities				
Derivative instruments	7.46	115.63	7.46	115.63
Total	**7.46**	**115.63**	**7.46**	**115.63**

Fair values of cash and cash equivalents, trade receivables, trade payables, other current assets and liabilities and borrowings are considered to approximate their carrying amounts.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted mutual funds are based on price quotations at the reporting date.
- The fair values of the unquoted equity instruments have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

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- The Group enters into derivative financial instruments with financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spread between the respective currencies, interest rate curves etc. The fair values of commodity futures contracts are based on price quotations on LME at the reporting date. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

Description of significant unobservable inputs to valuation:

A. FVTOCI assets - Unquoted equity instruments of Sharper Shape Group Inc.

Valuation technique: Discounted Cash Flow (DCF) method

(₹ in million)

Sr. No.	Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in Fair Value of equity shares	
				31 March 2022	31 March 2021
(i)	Long-term growth rate for cash flows for subsequent years	March 31, 2022: 3%	2% increase	10.99	11.36
		March 31, 2021: 3%	2% decrease	(9.08)	(9.33)
(ii)	WACC (pre-tax)	March 31, 2022: 23.40%	1% increase	(9.17)	(11.02)
		March 31, 2021: 23.40%	1% decrease	10.21	12.36
(iii)	Discount for lack of marketability	March 31, 2022: 10%	5% increase	(6.27)	(6.99)
		March 31, 2022: 10%	5% decrease	6.27	6.99

B. FVTOCI assets - unquoted equity shares in compulsorily convertible debentures of joint ventures

The fair value of the investments in compulsorily convertible debentures of joint ventures have been determined based on the fair values of the various Indian transmission projects owned by the Company. Such fair values have been computed based on discounted cash flow (DCF) method during the year ended March 31, 2022 and March 31, 2021.

(₹ in million)

Sr. No.	Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in Fair Value	
				31 March 2022	31 March 2021
(i)	Cost of equity	(i) New/under construction project -			
		March 31, 2022 -13.50%- 15.00%	0.5% increase	(2.73)	-
		March 31, 2021 - 14.75%	0.5% decrease	2.96	
(ii)	Incremental tariff expected to be approved by CERC in respect of cost overruns due to force majeure/change in law (as % of non-escalable tariff)	Incremental tariff expected to be approved by CERC in respect of cost overruns due to force majeure/change in law (as % of non-escalable tariff)	Increase by 5% (of non-escalable tariff)	14.42	-
			Decrease by 5% (of non-escalable tariff)	(14.57)	-
(iii)	Project cost (for under construction assets)	Project cost (for under construction assets)	5% increase	(0.19)	-
			5% decrease	0.19	-

NOTE 53: FAIR VALUES HIERACHY

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2022 and March 31, 2021

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(₹ in million)

		Fair value measurement using		
	Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/(liabilities) measured at fair value through profit and loss				
Mutual fund investments				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	9.07	9.07	-	-
Investment in units				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	286.15	286.15	-	-
Assets/(liabilities) measured at fair value through other comprehensive income				
Investment in equity instruments				
As at 31 March 2022	112.45	-	-	112.45
As at 31 March 2021	112.45	-	-	112.45
Derivative assets				
As at 31 March 2022	515.23	-	515.23	-
As at 31 March 2021	1,058.23	-	1,058.23	-
Investment in compulsorily convertible debentures				
As at 31 March 2022	99.13	-	-	99.13
As at 31 March 2021		-	-	-

NOTE 54: SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and services and has two reportable segments, as follows:

- Power product and solutions segment, which produces power conductors, power cables and optical power ground wire and also construction and master system integration of power transmission lines.

- Power transmission grid business, which develops power transmission infrastructure on build, owns, operate and maintain basis in India and executes service concession arrangement of power transmission infrastructure in Brazil.

- Others includes leasing of dark fibre ducts and other miscellaneous activities.

The Executive Management Committee is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Group's special purpose consolidated financial statements. Transfer prices between operating segments are mutually agreed between the segments taking into account the market prices and other relevant factors.

Particulars	March 31, 2022					
	Power product and solutions	Power transmission grid business	Others	Unallocable	Eliminations	Total
Segment revenue (Gross)						
External customer	37,459.62	14,482.45	32.76	-	-	51,974.83
Inter-segment	514.51	-	-	-	(514.51)	-
Total Revenue	**37,974.13**	**14,482.45**	**32.76**	-	**(514.51)**	**51,974.83**
Segment results (PBIT)#	3,264.65	7,349.26	3.57	(117.00)	(558.35)	9,942.13

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For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

Particulars	March 31, 2022					
	Power product and solutions	Power transmission grid business	Others	Unallocable	Eliminations	Total
Less: Finance cost (net)	269.58	3,085.88	17.95	-	(1.26)	3,372.16
Profit/(loss) before tax	**2,995.07**	**4,263.36**	**(14.38)**	**(117.00)**	**(557.10)**	**6,569.97**
Less: Tax expense	556.51	1,208.17	-	(145.07)	548.95	2,168.55
Profit/(loss) for the year	**2,438.56**	**3,055.19**	**(14.38)**	**28.07**	**(1,106.05)**	**4,401.42**
Segment assets	41,299.18	57,198.23	2,692.17	-	(9,874.32)	91,315.26
Common assets$	-	-	-	175.77	-	175.77
Total assets	**41,299.18**	**57,198.23**	**2,692.17**	**175.77**	**(9,874.32)**	**91,491.04**
Segment liabilities	27,957.92	50,711.43	2,488.37	-	(7,550.08)	73,607.64
Common liabilities	-	-	-	895.86	-	895.86
Total liabilities	**27,957.92**	**50,711.43**	**2,488.37**	**895.86**	**(7,550.08)**	**74,503.50**
Investments in associates and joint venture	12.85	238.94	-	-	-	251.78
Investments in non-convertible debentures of joint ventures	-	5,744.40	-	-	-	5,744.40
Investments in compulsorily-convertible debentures of joint ventures	-	99.13	-	-	-	99.13
Additions to non-current assets*	809.50	5,517.80	1,181.59			7,508.89
Depreciation and amortization	390.66	400.13	12.76	-	-	803.56

**Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, concession contract assets and intangible assets.*

 # includes net gain on sale of power transmission assets

$ Common assets and liabilities mainly includes tax assets and liabilities.

Particulars	March 31, 2021					
	Power product and solutions	Power transmission grid business	Others	Unallocable	Eliminations	Total
Segment revenue (Gross)						
External customer	16,985.59	3,918.86	19.45	-	-	20,923.90
Inter-segment	12,352.91	-	-	-	(12,352.91)	-
Total Revenue	**29,338.51**	**3,918.86**	**19.45**	**-**	**(12,352.91)**	**20,923.90**
Segment results (PBIT)#	**5,478.45**	**17,262.67**	**(13.85)**	**-**	**(5,777.50)**	**16,949.77**
Less: Finance cost (net)	2,886.25	2,476.44	12.49	-	(18.50)	5,356.68
Profit / (Loss) before tax	**2,592.20**	**14,786.24**	**(26.34)**	**-**	**(5,796.00)**	**11,593.08**
	9%	**377%**				
Less: Tax expense	296.78	1,942.30	0.72	-	655.53	2,895.33
Profit / (Loss) for the year	**2,295.42**	**12,843.94**	**(27.06)**	**-**	**(6,451.53)**	**8,697.75**
Segment assets	48,254.97	51,866.34	380.37	-	(34,268.47)	66,233.20
Common assets$	-	-	-	1,313.74	-	1,313.74
Total assets	**48,254.97**	**51,866.34**	**380.37**	**1,313.74**	**(34,268.47)**	**67,546.94**
Segment liabilities	41,118.01	48,290.11	405.99	-	(34,258.20)	55,555.90
Common liabilities	-	-	-	1,024.99	-	1,024.99
Total liabilities	**41,118.01**	**48,290.11**	**405.99**	**1,024.99**	**(34,258.20)**	**56,580.89**
Investments in associates and joint venture	59.73	-	-	-	-	59.73
Investments in non-convertible debentures of joint ventures	-	1,007.88	-	-	-	1,007.88
Additions to non-current assets*	31.90	26,542.76	46.25	-	-	26,620.91
Depreciation and Amortization	425.71	551.49	10.95	-	-	988.15
Impairment of property, plant and equipment (including capital work in progress)	-	-	-	-	-	-

**Non-current assets for this purpose consist of property, plant and equipment, capital work in progress and intangible assets.*

 # includes net gain on sale of power transmission assets

$ Common assets and liabilities mainly includes tax assets and liabilities.

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Geographical Information

The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in million)

Particulars	31 March 2022	31 March 2021
(1) Segment revenue - external turnover		
- Within India	28,019.10	11,971.72
- Outside India	23,955.73	8,952.19
Total	**51,974.83**	**20,923.91**
(2) Non-current assets*		
- Within India	4,472.15	24,503.89
- Outside India	67.29	1,755.65
Total	**4,539.44**	**26,259.54**

**Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, right of use asset and intangible assets. It excludes assets held for sale. Refer note 10.. Refer note 10*

Information about major customers

For Power transmission grid segment, under Point of Connection (PoC) mechanism, Power Grid Corporation of India Limited ('PGCIL') is designated as central transmission utility with the responsibility for billing and collection of usage charges from Inter-State Transmission Services (ISTS) users. The amount of revenue of ₹ 1,345.68 million (31 March 2021: ₹ 2,076.60 million) from power transmission projects in India is receivable from PGCIL.

Also in the power transmission and grid business, the Group executes engineering, procurement and construction (EPC) contracts for the subsidiaries of joint venture entities. During the current year, revenue from such EPC contracts includes revenue from Lakadia Vadodara Transmission Project Limited amounting to ₹ 9,186.81 million (March 31, 2021: ₹ Nil million).

Under Point of Connection (PoC) mechanism, Power Grid Corporation of India Limited ('PGCIL') is designated as central transmission utility with the responsibility for billing and collecting of usage charges from Inter-State Transmission Services (ISTS) users in India. Hence trade receivables of ₹ 343.48 million pertaining to transmission charges is receivable from PGCIL.

NOTE 55: RELATED PARTY DISCLOSURES

(A) Name of related party and nature of its relationship:

(a) Related parties where control exists

(i) Holding company

Twin Star Overseas Limited, Mauritius (Immediate holding company)

(ii) Ultimate holding company

Volcan Investments Limited, Bahamas (Ultimate holding company)

(b) Other related parties under IND AS-24 "Related party disclosures" with whom transactions have taken place during the year

(i) Associates

Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited (till January 14, 2022)

Sterlite Interlinks Limited

NER-II Transmission Limited (from March 25, 2021 to June 29, 2021)

(ii) Joint ventures

Sterlite Grid 13 Limited (from March 31, 2021)

Sterlite Grid 14 Limited (from April 06, 2021)

Sterlite Grid 18 Limited (from April 06, 2021)

Sterlite Grid 29 Limited (from April 06, 2021)

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(iii) Subsidiaries of joint ventures

Mumbai Urja Marg Liimited (formorely known as Vapi II North Lakhimpur Transmission Limited) (from March 31, 2021)

Udupi Kasargode Transmission Limited (from April 06, 2021)

Lakadia Vadodara Transmission Project Limited (from April 06, 2021)

Goa-Tamnar Transmission Project Limited (from April 06, 2021)

(iv) Key management personnel (KMP)

Mr. Pratik Agarwal (Managing Director)

Mr. Anuraag Srivastava (Chief Financial Officer) (till 30 September 2021)

Mr. Sanjeev Bhatia (Chief Financial Officer) (from 01 October 2021)

Mr. Manish Agrawal (Whole time Director) (from 17 December 2021)

(v) Fellow subsidiaries

Vedanta Limited

Bharat Aluminium Company Limited

Fujairah Gold FZE

Hindustan Zinc Limited

Sterlite Technologies Limited

Sterlite Power Technologies Private Limited

Maharashtra Transmission Communication Infrastructure Limited (till March 30, 2022)

ESL Steels Limited (formerly know as Electro steel Steels Limited)

(c) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

(i) Key management personnel (KMP)

Mr. Arun Todarwal (Director) (till July 24, 2021)

Ms. Avaantika Kakkar (Director) (till February 01, 2021)

Mr. Anoop Sheth (Director) (from July 31, 2020)

Ms. Zhao Haixia (Director) (till March 31, 2022)

Mr. A.R. Narayanswamy (Director)

Mr. Ashok Ganesan (Company secretary)

(ii) Entities in which directors are interested

PTC Cables Private Limited (till July 24, 2021)

Talwandi Sabo Power Limited

Universal Floritech LLP

(iii) Relatives of key management personnel (KMP)

Mr. Navin Kumar Agarwal

Mr. Suman Didwania

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(B) The transactions with related parties during the year and their outstanding balances are as follows:

(₹ in million)

S. No.	Particulars	Holding Company		Associates and joint ventures/subsidiaries of associates and joint ventures		KMP/ Relative of KMP		Entities in which directors are interested		Fellow subsidiaries	
	Transactions	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Purchase of goods (net of taxes)	-	-	-	-	-	-	-	-	13,354.00	5,711.24
2	Sale of services	-	-	25.13	17.79	-	-	-	-	-	-
3	Sale of goods (net of taxes)	-	-	-	-	-	-	-	-	35.36	8.39
4	Interest income	-	-	562.97	-	-	-	-	-	7.81	19.23
5	Loans and advances given	-	-	-	70.12	-	-	-	-	35.00	-
6	Loans and advances given to related party repaid	-	-	27.00	70.12	-	-	-	-	310.44	-
7	Reimbursement of expenses paid to related parties	-	-	-	-	-	-	-	-	15.50	-
8	Reimbursement of expense paid on behalf of related parties	-	-	52.99	-	-	-	-	-	5.13	-
9	Reimbursement of expenses recovered from related parties	-	-	-	-	-	-	-	-	0.68	2.73
10	Purchase of power	-	-	-	-	-	-	-	-	31.33	26.12
11	Remuneration	-	-	-	-	149.96	89.06	-	-	-	-
12	Sitting fees	-	-	-	-	10.63	14.65	-	-	-	-
13	Commission	-	-	-	-	3.54	6.49	-	-	-	-
14	Management fees income (excluding GST)	-	-	0.73	5.13	-	-	-	-	24.99	9.95
15	Loan taken from related party repaid	-	-	-	6,200.00	-	-	-	-	-	-
16	Interest expenses	-	-	-	354.33	-	-	44.90	130.18	125.32	136.90
17	Services availed	-	-	-	-	-	-	-	1.30	1.00	-
18	Security deposits taken	-	-	-	4.00	-	-	-	-	-	-
19	Security deposits repaid	-	-	54.00	20.00	-	-	-	-	-	-
20	Revenue from EPC contract with customer	-	-	19,945.09	-	-	-	-	-	-	-
21	Advance received against contracts (excluding tax)	-	-	405.92	-	-	-	-	-	-	-
22	Subscription/acquisition of equity shares including pending allotment	-	-	1,007.90	-	-	-	-	-	-	-
23	Investment in non-covertible debentures (NCD's)	-	-	2,452.99	-	-	-	-	-	-	-
24	Investment in compulsory-convertble debentures (CCD's)	-	-	99.13	-	-	-	-	-	-	-
25	Dividend paid	231.45	-	-	-	8.01	-	-	-	5.05	-
26	Purchase consideration paid/payable	-	-	-	-	-	-	-	-	430.00	-
27	Bank guarantee given	-	-	800.00	-	-	-	-	-	-	-
28	Miscellaneous income	-	-	3.71	-	-	-	-	-	-	-

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(₹ in million)

	Outstanding balances	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Loans/advance receivables	-	-	-	-	-	-	-	-	35.52	302.53
2	Short term borrowings (including interest payable)	-	-	-	-	-	-	-	1,722.96	-	-
3	Management fee receivable	-	-	-	4.91	-	-	-	-	-	-
4	Trade receivables	-	-	6,663.17	17.11	-	-	-	-	5.13	-
5	Trade payables (including operational supplier's credit)	-	-	-	-	0.21	-	-	-	3,402.39	2,161.31
6	Others receivables	-	-	52.99	-	-	-	-	-	34.17	37.83
7	Advance Recoverable in Cash from Related party	-	-	28.40	-	-	-	-	-	-	-
8	Security deposits received	-	-	-	54.00	-	-	-	-	-	-
9	Corporate and bank guarantees given and outstanding	-	-	-	-	-	-	-	-	188.60	188.60
10	Advance from customers	-	-	4,763.00	4,463.02	-	-	-	-	-	-
11	Investment in non-convertible debentures (NCD)	-	-	5,744.40	1,007.88	-	-	-	-	-	-
12	Investment in compulsory-convertble debentures (CCD's)	-	-	99.13	-	-	-	-	-	-	-
13	Purchase Consideration payable	-	-	-	-	-	-	-	-	230.00	-

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(C) Disclosure in respect of material related party transactions during the year:

(₹ in million)

	Particulars	Relationship	31 March 2022	31 March 2021
1	**Purchase of goods (net of taxes)**			
	Vedanta Limited	Fellow subsidiary	10,647.67	4,792.49
	Bharat Aluminium Company Limited	Fellow subsidiary	2,195.46	507.80
	ESL Steel Limited	Fellow subsidiary	405.88	243.18
	Sterlite Technologies Limited	Fellow subsidiary	104.79	161.66
	Hindustan Zinc Limited	Fellow subsidiary	0.20	6.11
2	**Sale of services**			
	Sterlite Interlinks Limited	Associate	25.13	17.79
3	**Sale of goods (net of taxes)**			
	Maharashtra Transmission Communication Infrastructure Limited	Fellow subsidiary	35.36	8.39
4	**Interest income**			
	Sterlite Power Technologies Private Limited	Fellow subsidiary	1.52	11.73
	Sterlite Technologies Limited	Fellow subsidiary	6.29	7.50
	Sterlite Grid 13 Limited	Subsidiary of joint venture	135.56	-
	Sterlite Grid 14 Limited	Subsidiary of joint venture	45.73	-
	Sterlite Grid 18 Limited	Subsidiary of joint venture	241.81	-
	Sterlite Grid 29 Limited	Subsidiary of joint venture	139.87	-
5	**Loans and advances given**			
	Sterlite Interlinks Limited	Associate	-	70.12
	Sterlite Power Technologies Private Limited	Fellow subsidiary	35.00	-
6	**Loans and advances given to related party repaid**			
	Sterlite Interlinks Limited	Associate	-	70.12
	Sterlite Grid 14 Limited	Subsidiary of joint venture	27.00	
	Sterlite Technologies Limited	Fellow subsidiary	101.50	-
	Sterlite Power Technologies Private Limited	Fellow subsidiary	208.94	-
7	**Reimbursement of expenses paid to related parties**			
	Sterlite Technologies Limited	Fellow subsidiary	15.50	-
8	**Reimbursement of expense paid on behalf of related parties**			
	Lakadia Vadodara Transmission Project Limited	Subsidiary of joint venture	33.36	-
	Mumbai Urja Marg Liimited	Subsidiary of joint venture	7.74	-
	Goa-Tammar Transmission Project Limited	Subsidiary of joint venture	11.89	-
	Vedanta Limited	Fellow subsidiary	5.13	-
9	**Reimbursement of expenses recovered from related parties**			
	Sterlite Power Technologies Private Limited	Fellow subsidiary	0.68	2.73
10	**Purchase of power**			
	Vedanta Limited	Fellow subsidiary	31.33	26.12
11	**Remuneration**			
	Mr. Anuraag Srivastava	KMP	24.28	30.17
	Mr. Pratik Agarwal	KMP	101.50	49.99
	Mr. Ashok Ganesan	KMP	11.81	8.90
	Mr. Sanjeev Bhatia	KMP	6.39	-
	Mr. Manish Agrawal	KMP	5.98	-

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Particulars	Relationship	31 March 2022	31 March 2021
12	**Sitting fees**			
	Mr. Arun Todarwal	Director	1.40	4.55
	Mr. Lalit Tondon	Director	-	-
	Mr. A. R. Narayanswamy	Director	3.70	5.00
	Ms. Haixia Zhao	Director	2.63	3.40
	Mr. Anoop Sheth	Director	2.90	1.70
13	**Commission**			
	Ms. Haixia Zhao^	Director	3.42	5.86
	Mr. A.R Narayanaswamy	Director	0.12	-
	Mr. Anoop Sheth^	Director	-	0.63
14	**Management fees income (excluding GST)**			
	IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)	Associate	0.73	5.13
	Maharashtra Transmission Communication Infrastructure Limited	Fellow subsidiary	24.99	9.95
15	**Loan repaid**			
	Sterlite Interlinks Limited	Associate	-	6,200.00
16	**Interest expenses**			
	PTC Cables Private Limited	Entity in which director is interested	44.90	130.18
	Vedanta Limited	Fellow subsidiary	104.10	120.16
	Bharat Aluminium Company Limited	Fellow subsidiary	21.22	16.74
	Sterlite Interlinks Limited	Associate	-	354.33
17	**Services availed**			
	Cyril Amarchand Mangaldas	Entity in which director is interested	-	0.45
	Sterlite Technologies Limited	Fellow subsidiary	1.00	-
	Talwandi Sabo Power Limited	Entity in which director is interested	-	0.85
18	**Security deposits taken**			
	Sterlite Interlinks Limited	Associate	-	4.00
19	**Security deposits repaid**			
	Sterlite Interlinks Limited	Associate	54.00	20.00
20	**Revenue from EPC contract with customer #**			
	Udupi Kasargode Transmission Limited	Subsidiary of joint venture	2,394.31	-
	Mumbai Urja Marg Liimited	Subsidiary of joint venture	6,359.68	-
	Goa-Tammar Transmission Project Limited	Subsidiary of joint venture	2,004.29	-
	Lakadia Vadodara Transmission Project Limited	Subsidiary of joint venture	9,186.81	-
21	**Advance received against contracts (excluding tax)**			
	Udupi Kasargode Transmission Limited	Subsidiary of joint venture	405.92	-
22	**Subscription/acquisition of equity shares including pending allotment**			
	Sterlite Grid 14 Limited	Joint venture	0.10	-
	Sterlite Grid 18 Limited	Joint venture	618.11	-
	Sterlite Grid 29 Limited	Joint venture	389.69	-
23	**Investment in non-covertible debentures (NCD's)**			
	Sterlite Grid 13 Limited	Joint venture	507.87	-
	Sterlite Grid 14 Limited	Joint venture	228.72	-
	Sterlite Grid 18 Limited	Joint venture	964.36	-
	Sterlite Grid 29 Limited	Joint venture	752.05	-

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Particulars	Relationship	31 March 2022	31 March 2021
24	**Investment in compulsory-convertble debentures (CCD's)**			
	Sterlite Grid 18 Limited	Joint venture	50.50	-
	Sterlite Grid 29 Limited	Joint venture	48.63	-
25	**Dividend paid**			
	Twin Star Overseas Limited	Immediate Holding Company	231.45	-
	Vedanta Limited	Fellow Subsidiary	5.05	-
	Mr. Pravin Agarwal	Chairman	4.43	-
	Mr. Navin Kumar Agarwal	Relative of KMP	0.30	-
	Mrs. Suman Didwania	Relative of KMP	0.09	-
	Mr. Pratik Agarwal	Managing Director	3.18	-
26	**Purchase consideration paid/payable**			
	Sterlite Technologies Limited	Fellow subsidiary	430.00	-
27	**Bank guarantee given**			
	Mumbai Urja Marg Liimited	Subsidiary of joint venture	800.00	-
28	**Miscellaneous income**			
	Sterlite Grid 14 Limited	Joint venture	3.07	-
	Sterlite Grid 29 Limited	Joint venture	0.64	-

 # Sales disclosed above are based on actual billings made to subsidiaries of joint ventures in respect of EPC contracts. However, the Company recognises revenue based on percentage of completion method.

(D) Compensation of Key management personnel of the Group:

(₹ in million)

	31 March 2022	31 March 2021
Short term employee benefits *	149.96	89.06
Post employment benefits*	-	-
Total	**149.96**	**89.06**

** As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Group as a whole, the amounts pertaining to the key management personnel are not included above.*

NOTE 56: OTHER NOTES

(a) The board of directors of the Company in its meeting held on May 10, 2021 declared an interim dividend of ₹ 5.75 (March 31, 2021: ₹ Nil per share) per share.

(b) The Group has entered into a Framework Agreement with AMP Capital Infrastructure Investment No.2 S.A R.L. ('AMP Capital') dated December 28, 2020 ('the Framework Agreement') for investment in the subsidiaries of the Group which are engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India wherein the Group and AMP Capital (together referred as investors) each will own 50% of the equity capital of such entities. Both the investors would invest in equal proportions in the projects being developed in the form of equity capital, NCDs and other convertible instruments. The returns on sale of the projects post completion would be shared between the two investors in a graded manner in accordance with the Framework Agreement. There is no guaranteed minimum return to AMP Capital under the Framework Agreement.

Pursuant to the Framework Agreement as above and the Share purchase and Shareholders' agreements dated December 28, 2020 and restated framework agreement dated March 30, 2021 executed among the Company, AMP Capital, Sterlite Grid 13 Limited ('SGL13') and Mumbai Urja Marg Limited (formerly known as Vapi II North Lakhimpur Transmission Limited), AMP Capital invested ₹ 3.10 million which is equivalent to 50% of the paid up equity share capital of SGL13 on March 31, 2021 and it has also acquired from the Company, 50% of the NCDs issued by SGL13 to the Company for a consideration of ₹ 1,074.01 million. SGL13 was a wholly owned subsidiary of the Company before the above transaction and it is the holding company of Vapi-II North Lakhimpur Transmission Limited which is the project SPV

Notes to Consolidated Financial Statements

For the year ended March 31, 2022
(All amounts in ₹ million unless otherwise stated)

developing the transmission project in the states of North east, Maharashtra and Gujarat. Accordingly, based on the inter-se rights available to the Group and AMP Capital under the aforesaid agreements and the equal equity shareholdings of both the investors, SGL13 has become joint venture for the Group with effect from March 31, 2021.

Pursuant to the Framework Agreement and the respective Share purchase and Shareholders' agreements dated December 28, 2020 executed among the Company, AMP Capital, SGL14/SGL18/SGL5/SGL29 and their respective project SPVs viz. Udupi Kasargode Transmission Limited / Lakadia-Vadodara Transmission Project Limited / Goa Tamnar Transmission Project Limited, on April 6, 2021, AMP Capital subscribed 50% of the paid up equity share capital of Sterlite Grid 14 Limited ('SGL14'), Sterlite Grid 18 Limited ('SGL18') and Sterlite Grid 29 Limited ('SGL 29'). AMP Capital also acquired NCDs of ₹ 285.53 million of SGL14, ₹ 1,046.13 million of SGL18 and ₹ 561.90 million of SGL29 from the Company for considerations of ₹ 313.84 million, ₹ 1,093.37 million and ₹ 658.95 million respectively. Accordingly, based on the inter-se rights available to the Group and AMP Capital under the aforesaid agreements and the equal equity shareholdings of both the investors, SGL14/SGL18/SGL29 have become joint ventures for the Group with effect from April 6, 2021.

(c) The Board of Directors of the Sterlite Power Transmission Limited ('SPTL') in its meeting held on March 22, 2021 approved a Scheme of amalgamation of Sterlite Grid 4 Limited ('SGL 4'), a wholly owned subsidiary of the SPTL under the Companies Act, 2013 with the appointed date of April 1, 2020. After obtaining requisite approvals SPTL has filed the Scheme with National Company Law Tribunal ('NCLT'). NCLT has sanctioned the scheme vide its order dated February 17, 2022. SPTL has received certified copy of the order on February 28, 2022 which is filed with Registrar of Companies on March 14, 2022 ('Effective date').

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For S R B C & CO LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Pune
Date: May 27, 2022

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: May 27, 2022

Sd/-
Sanjeev Bhatia
Chief Financial Officer
Place: Mumbai
Date: May 27, 2022

Sd/-
Ashok Ganesan
Company Secretary
Place: Mumbai
Date: May 27, 2022

Definitions and Abbreviations

Term	Description
"our Company" or "the Company"	Sterlite Power Transmission Limited, a public limited company incorporated under the Companies Act, 2013 and having its registered office at 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune 411 001, Maharashtra, India and its corporate office at 9 th Floor, Block B DLF Cyber Park, Udyog Vihar, Okhla Industrial Estate Phase 3 Rd, Sector 20, Gurugram, Haryana 122008
"we", "us", "our" or "Group"	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries. Where the context indicates, refers to the Associates, Investee HoldCos and Investee SPVs as well
AMP Capital	AMP Capital Infrastructure Investment No.2 S.A.R.L
AMP Framework Agreement	Restated framework agreement dated March 30, 2021 entered into between our Company and AMP Capital
AMP Investment Agreements	Four investment agreements dated December 28, 2020, as amended on March 30, 2021, entered into between (i) our Company, AMP Capital, SGL13 and VNLTL; (ii) our Company, AMP Capital, SGL14 and UKTL; (iii) our Company, AMP Capital, SGL18 and LVTPL; and (iv) our Company, AMP Capital, SGL5, SGL29 and GTTPL
Articles of Association or AoA	Articles of association of our Company, as amended
Associates	Associates as consolidated in restated consolidated summary statements as per the relevant Ind AS 28 in the relevant reporting period
Audit Committee	Audit committee of our Board, as described in the section entitled "Our Management - Committees of the Board"
Auditors or Statutory Auditors	S R B C & CO LLP, Chartered Accountants, the statutory auditors of our Company
BDTCL	Bhopal Dhule Transmission Company Limited
Board or Board of Directors	Board of directors of our Company or a duly constituted committee thereof
Group Chief Financial Officer or Group CFO	Chief Financial officer of our Company, Sanjeev Bhatia
Company Secretary	Company secretary of our Company, Ashok Ganesan
Corporate Promoter	Twin Star Overseas Limited
Demerger Scheme	Scheme of arrangement entered into between our Company and STL and their respective shareholders and creditors which was approved and sanctioned by the High Court of Bombay by way of its order dated April 22, 2016
Director(s)	Directors on our Board
ENICL	East-North Interconnection Company Limited
GPTL	Gurgaon Palwal Transmission Limited
Group Companies	The group companies of our Company identified in terms of Regulation 2(1)(t) of the SEBI ICDR Regulations, including companies (other than the Corporate Promoter and the Subsidiaries) with which there were related party transactions as disclosed in the Restated Consolidated Summary Statements as covered under the applicable accounting standards, and any other companies as considered material by the Board, in accordance with the resolution dated August 7, 2021 passed by the Board, as described in the section entitled "Our Group Companies"
GTTPL	Goa-Tamnar Transmission Project Limited
IGL	IndiGrid Limited (formerly, Sterlite Grid 1 Limited)
KTL	Khargone Transmission Limited
LVTPL	Lakadia-Vadodara Transmission Project Limited
NER	NER II Transmission Limited
SPGVL	Sterlite Power Grid Ventures Limited
STL	Sterlite Technologies Limited
UKTL	Udupi Kasargode Transmission Limited
MUML	Mumbai Urja Marg Limited (Erstwhile Vapi II - North Lakhimpur Transmission Limited)

Technical/Industry Related Terms or Abbreviations

Term	Description
ANEEL	Agência Nacional de Energia Elétrica
BOOM	Build, own, operate and maintain
COD	Commercial Operations Date
CRISIL / CRISIL Research	CRISIL Research, a division of Credit Rating Information Services of India Limited
CRISIL Report	Report entitled “CRISIL Research - Indian Power & Transmission Sector” released in Mumbai in July 2021
DISCOM	Distribution companies
EHS	Environment, Occupational Health and Safety
EHV	extra high voltage
EPA or Environment Protection Act	Environment Protection Act, 1986
Fitch	Fitch Solutions Group Limited
Fitch Report	Report entitled “Brazil Power Report” issued by Fitch dated June 2021
HVDC	High Voltage Direct Current
HVPNL	Haryana Vidyut Prasaran Nigam Limited
MoP	Ministry of Power
MVA	Mega Volt Ampere
PGCIL	Power Grid Corporation of India Limited
PoC	Point of Connection
POSOCO	Power System Operation Corporation Limited
RSA	Revenue Sharing Agreement
SCOD	Schedules Commercial Operations Date
SEB(s)	State Electricity Boards
TBCB	Tariff Based Competitive Bidding
TEECL	Techno Electric & Engineering Company Limited
TSA	Transmission Services Agreement

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
£/Pounds	Pound Sterling
AGM	Annual general meeting
BRL/Real/R$	Brazil Real
CRISIL Report	Report entitled “CRISIL Research - Indian Power & Transmission Sector” released in Mumbai in July 2021
DISCOM	Distribution companies
EHS	Environment, Occupational Health and Safety
EHV	extra high voltage
EPA or Environment Protection Act	Environment Protection Act, 1986
Fitch	Fitch Solutions Group Limited
Fitch Report	Report entitled “Brazil Power Report” issued by Fitch dated June 2021
HVDC	High Voltage Direct Current
HVPNL	Haryana Vidyut Prasaran Nigam Limited
MoP	Ministry of Power
MVA	Mega Volt Ampere
PGCIL	Power Grid Corporation of India Limited
PoC	Point of Connection
POSOCO	Power System Operation Corporation Limited
RSA	Revenue Sharing Agreement
SCOD	Schedules Commercial Operations Date
SEB(s)	State Electricity Boards
TBCB	Tariff Based Competitive Bidding
TEECL	Techno Electric & Engineering Company Limited
TSA	Transmission Services Agreement

Notes

Concept, content and design at AICL (hello@aicl.in)

Sterlite Power
DLF Cyber Park, Block B, 9th Floor,
Udyog Vihar Phase III, Sector 20, Gurugram,
Haryana -122008
Phone: +91 124 4562000
Email: secretarial.grid@sterlite.com
Website: www.sterlitepower.com
CIN: U74120PN2015PLC156643