

August 13, 2022

To,
The Department of Corporate Services
Bombay Stock Exchange Ltd. (BSE)
P.J. Towers, Dalal Street,
Mumbai - 400 001

Essar Power Limited
Essar House
11 K. K. Marg
Mahalaxmi
Mumbai 400 034
India

Corporate Identity Number :
U40100GJ1991PLC064824

T +91 22 6660 1100
F +91 22 2354 4787
www.essar.com

Ref: Script Code: 946734/946808/949336/949474

Sub: Submission of Audited Financial Results and other matters under Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the following documents with respect to the Audited Financial Results of the Company for the quarter and financial year ended March 31, 2022, which have been approved by the Board of Directors at its Meeting held on Saturday, August 13, 2022, commenced at 12:30 p.m. and concluded at 2:15 p.m.

1. Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and financial year ended March 31, 2022;
2. Auditor's Report on the Financial Results (Standalone and Consolidated) of the Company for the quarter and financial year ended March 31, 2022 from the Statutory Auditors of the Company;
3. Disclosures pursuant to Regulation 52(4) and 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
4. A statement showing impact of audit qualifications pursuant to Regulation 52(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
5. Disclosure of related party transactions pursuant to Regulation 23(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended March 31, 2022.

Kindly take the same on record.

Thanking you.

Yours faithfully,
For Essar Power Limited



Prakash Khedekar
Company Secretary



Independent Auditor's Report on the Quarter and Year Ended Audited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Essar Power Limited

Report on the Audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying statement of quarterly and yearly standalone financial results of Essar Power Limited ('the Company') for the quarter ended March 31, 2022, and for the year ended March 31, 2022 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. Is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. Except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph below, gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022, and for the year ended March 31, 2022.

Basis for Qualified Opinion

1. As explained in Note 3 to the Statement, the Company has received a recall notice from one of the lenders for repayment of total outstanding and the lender has initiated legal proceedings in DRT-1, Mumbai for recovering the same. The Company's current liabilities exceeds its current assets by Rs. 3163.38 crore for FY 2021-22 and the Company has a negative net worth of Rs. 912.24 Crore. Further, as mentioned in our qualification No. 2 below, the Company has a substantially material liability on account of corporate guarantees invoked by the lenders of the subsidiaries for which the Company has not made provisions in the Statement. The plant is in a state of shutdown and the Company has substantially impaired its plant to the extent of its realizable value based on prevailing conditions. Further, as mentioned in Note 5(ii) and 5(iv) the Company has derecognized its investments in major subsidiaries for reasons given in the note. These situations indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and the financial statements do not disclose this fact. The impact of the same on the standalone financial statements of the Company is unascertainable.
2. Corporate guarantees of Rs. 4920.08 crore issued by the Company were invoked by the lenders of Essar Power Jharkhand Limited which were settled for Rs. 1215 crore as explained in Note 5(iii) read with Note 7(i). The group has paid Rs. 430 crore against the settlement amount and a provision for the balance Rs. 785 crore has been made by the Company. The due date for payment of the settlement amount has lapsed resulting in cessation of the settlement deed and reinstatement of liability to the original amount. However, as explained in the said notes, the Company is in discussions with the lenders for extension of the repayment schedule and has



accordingly not made any more provisions. Further, corporate guarantees of Rs. 5246.11 crore issued by the Company have been invoked by the lenders of Essar Power Gujarat Limited. As disclosed in the Note 5(i), the Company expects that restructuring would be implemented and the corporate guarantee would be reduced to sustainable debt level of Rs. 1600 crore. The Company has not made any provision for corporate guarantees as it believes the possibility of economic outflow is remote. As these are invoked guarantees, the Company should have made provisions for the same to the extent of its estimate. Had the Company made the provisions the loss for the period would have been higher by Rs. 1600 crore and the net worth would have been lower by the same amount.

3. As disclosed in Note 7(v)(a) the Company has recognized a one-time gain of Rs. 340.79 crore arising from settlement of outstanding dues towards NCDs and bank guarantees issued to Axis Bank Limited. The settlement amount as per old OTS letters was partly paid before March 2022 and balance by May 2022. While revalidated OTS letters and no dues certificate is pending from the bank, the Company has recognized the gains in FY 2021-22 following the payments made. Had the gains been taken after receipt of these documents, the loss for the year would have been higher by Rs. 340.79 crore and the net worth could have been lower by the same amount.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ('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 opinion.

Emphasis of Matter

1. As disclosed in Note 7 the Company has recognized exceptional gain of Rs. 999.83 crore which is majorly on account of one time settlement gains of Rs. 697.49 crore from Yes Bank, Axis Bank and PNB, reversal of interest on OCRPS of Rs. 776.37 crore, reversal of impairment on PPE of Rs. 19.84 crore, write back of ICDs taken of Rs. 39.18 crore, and gain of Rs. 375.72 crore on fair valuation of investments, as reduced by provision made for corporate guarantee of Rs. 815 crore, provision for doubtful deposits of Rs. 34.88 crore and reinstating of liability earlier written back of Rs. 102.23 crore.
2. As mentioned in Note 5(i), a lender of Essar Power Gujarat Limited ('EPGL') has filed an application under Section 7 of Insolvency and Bankruptcy code, 2016. However, for reason given in the said note, the Company believes that the application will be withdrawn. As explained in the note, EPGL has proposed a debt restructuring to its lenders, pursuant to which the Company will hold 74% equity of EPGL on diluted basis. Fair value of investments in EPGL have accordingly been adjusted to reflect the post-restructuring holding. The Company has continued to show 100% investment in EPGL even though 51% of the shares of those subsidiary were invoked by the lenders of the subsidiary.
3. Attention is drawn to Note 9 regarding status of litigation with the customer (GUVNL). Trade receivables of Rs. 1,066.86 Crore (including delayed interest and overdue interest thereon aggregating to Rs. 582.25 Crore) as at 31st March, 2022 from the said customer are unconfirmed and represent amounts withheld by GUVNL substantially on account of the disputed matters described in the note. Based on earlier favourable decision of GERC which is contested by GUVNL, no provision is considered necessary against the claim or towards the disputed receivables recorded in the books of account in accordance with the Power Purchase Agreement with GUVNL.



4. Attention is drawn to Note 11 regarding the Company's Non-Banking Finance Company ("NBFC") status. The Company has applied to the Reserve Bank of India seeking waiver from registration as NBFC for FY 2021-22 on 9th December, 2022, and is awaiting reply on the same. The Company had filed a similar application for FY 2020-21, FY 2019-20, FY 2018-19, 2017-18 and FY 2016-17 as well, for which it is yet to receive any response.
5. Attention is drawn to Note 6 to the standalone financial statements regarding reclassification of non-current investment in Essar Power Transmission Company Limited to investments held for sale following a definitive agreement signed between the Company and Adani Transmission Limited on 2nd June, 2022 for transfer of the investment.

Our opinion is not modified in respect of the above matter.

Management's Responsibility for the Standalone Financial Statements

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Statement 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 Statement, including the disclosures, and whether the Statement represents 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.

Other Matter

The Statement includes the results for the quarter ended March 31, 2022, being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2022, and the unaudited nine month figures up to December, 31, 2021, which were subjected to limited review by us, as required under the Listing Regulations. Further, this Statement does not include results for the corresponding quarter ended 31st March 2021 for reasons given in Note 18.

For **M.M.Chaturvedi & Co.,**
Chartered Accountants
(Firm Reg. No. 112941W)




Rishabh Chaturvedi

Partner

Membership No. 124465

UDIN: 22124465AOYSCD9675

Mumbai
13th August, 2022

ESSAR POWER LIMITED

Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India

CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India



Rs. in Crore

Audited financial Results for the Quarter and Year ended 31st March 2022				
Particulars	3 Month Ended	3 Month Ended	Year to date Ended	Year Ended
	31.03.2022	31.12.2021	31.03.2022	31.03.2021
	Unaudited	Unaudited	Audited	Audited
1. (a) Net Sales/Income from Operations	0.52	0.45	52.65	4.52
(b) Other Income	0.51	0.12	2.93	2.77
1 Total for income from operation	1.03	0.57	55.58	7.29
2. Expenditure				
(a). Employees cost	1.25	0.62	3.15	2.19
(b). Depreciation	2.43	2.42	9.68	4.83
(c). Other expenditure	3.31	3.07	49.17	5.80
2 Total Expenses	6.99	6.11	62.00	12.82
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	(5.96)	(5.54)	(6.42)	(5.53)
4. Profit before Interest & Exceptional Items (3+4)	(5.96)	(5.54)	(6.42)	(5.53)
5. Interest	176.19	187.13	683.70	717.81
6. Exceptional items	(1,840.29)	11.87	(999.83)	(343.80)
7. Profit (+)/ Loss (-) from Ordinary Activities before tax (4) - (5+6)	1,658.14	(204.54)	309.71	(379.53)
8. Net Profit(+)/ Loss(-) for the period	1,658.14	(204.54)	309.71	(379.53)
Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss	0.16	-	0.16	(0.31)
9. Total comprehensive income for the year, net of tax	1,658.30	(204.54)	309.87	(379.84)
10. Paid-up equity share capital & Preference share capital	7,671.09	7,671.14	7,671.09	7,671.14
11. Paid up Debt Capital	5,467.78	6,723.02	5,467.78	5,390.08
12. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	(8,583.33)	(10,241.64)	(8,583.33)	(8,893.20)
13. Debenture Redemption Reserve	49.65	49.65	49.65	49.65
14. Earnings Per Share (in Rs.)	1.36	(0.17)	0.25	(0.31)
15. Debt Equity Ratio	(5.99)	(2.62)	(5.99)	(4.41)
16. Debt Service Coverage Ratio	(0.02)	(0.46)	(0.01)	(0.18)
17. Interest Service Coverage Ratio	(0.03)	(0.03)	(0.01)	(0.01)

Place :- Mumbai

Date :- 13th Aug 2022

For and on behalf of the Board of Directors

Vishnu Dutt Mutha
Director
DIN:08366070



ESSAR POWER LIMITED

Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824



Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com
Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Statement of Asset & liabilities

Rs. in Crore

	As at 31/03/2022 (Audited)	As at 31/03/2021 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	255.59	245.64
Intangible assets	0.03	0.03
Right of use asset	1.10	1.15
Financial assets:		
Investments	2,007.43	2,772.52
Loans	0.05	2.01
Other financial assets	1.12	0.31
Other non-current assets	0.50	0.50
	2,265.82	3,022.16
Current assets		
Inventories	8.86	8.93
Financial assets:		
Investments held for sale	1,143.00	
Trade receivables	1,067.14	1,067.15
Cash and cash equivalents	0.92	0.52
Bank balances other than cash and cash equivalents	10.91	10.97
Loans	11.83	11.72
Other financial assets	0.35	0.26
Current tax assets (net)	25.12	24.03
Other current assets	28.00	28.33
	2,296.13	1,151.91
	4,561.94	4,174.07
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	4,874.54	4,874.54
Other equity		
Equity component of convertible preference shares	2,796.55	2,796.60
Reserve and surplus	(8,583.33)	(8,893.20)
Other reserves	@1	@1
	(912.24)	(1,222.06)
LIABILITIES		
Non-current liabilities		
Financial liabilities:		
Borrowings	14.67	14.24
	14.67	14.24
Current Liabilities		
Financial Liabilities:		
Lease Liabilities	0.16	0.16
Borrowings	872.50	1,111.46
Trade payables		
Total outstanding of micro and small enterprises	0.11	0.21
Others	4.97	4.95
Other financial liabilities	4,580.61	4,264.38
Other current liabilities	1.16	0.73
	5,459.51	5,381.89
	4,561.94	4,174.07

Place :- Mumbai
Date :- 13th Aug 2022

For and on behalf of the Board of Directors



Vishnu Dutt Mutha
Vishnu Dutt Mutha
Director
DIN:08366070

ESSAR POWER LIMITED

Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824



Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com
Corporate Office:Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Rs. in Crore

	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
	Audited		Audited	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit/ (Loss) before tax for the year		309.87		(379.84)
Adjustment for :				
Depreciation/amortisation	9.68		4.83	
(Profit)/loss on sale of fixed assets	0.40		-	
Finance cost and lease charges	683.70		717.81	
Interest income on bank deposit and others	(0.51)		(0.52)	
Bad debts / Sundry Balances written off	-		0.10	
Exceptional item	(999.83)		(354.68)	
		(306.56)		367.53
Operating Profit/ (loss) before working capital changes		3.31		(12.31)
Movement in working capital:				
(Increase)/ Decrease in trade receivables	0.01		0.02	
(Increase)/ Decrease in inventories	0.07		0.20	
Decrease in loans, advances and deposits	15.16		7.92	
Increase / (Decrease) in trade payable, other liabilities and provisions	(15.14)		1.95	
		0.10		10.09
Cash generated from / (used in) operations		3.41		(2.22)
Direct taxes paid		(1.09)		(0.29)
Net cash from / (used in) operating activities		2.32		(2.51)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets, (increase) / decrease in capital work in progress	(0.14)		(0.62)	
Sale of fixed assets, (increase) / decrease in capital work in progress	0.01		-	
Proceeds from investments	10.29		-	
Investment in subsidiaries	(2.19)		-	
Fixed / margin deposits placed with banks	(0.75)		(1.12)	
Inter corporate deposit placed	(44.61)		(22.80)	
Refund of inter corporate deposit placed	61.96		70.29	
Interest received	0.51		0.52	
Net cash from investing activities		25.08		46.27
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital (including	-		393.94	
Proceeds from borrowings	185.23		175.00	
Repayment of borrowings	(71.70)		(22.86)	
Changes in short term borrowings (net)	(53.50)		-	
Inter corporate deposits taken	87.25		94.93	
Inter corporate deposits repaid	(113.63)		(147.63)	
Finance and lease charges paid	(30.65)		(7.31)	
Guarantee expenses	(30.00)		(529.89)	
Net cash used in financing activities		(27.00)		(43.82)
Net increase in cash and cash equivalents (A+B+C)		0.40		(0.06)
Cash and cash equivalents at the beginning of the year	0.52		0.58	
Cash and cash equivalents at the end of the year	0.92		0.52	
		0.40		(0.06)

Place :- Mumbai
Date :- 13th Aug 2022

For and on behalf of the Board of Directors



Vishnu Dutt Mutha

Vishnu Dutt Mutha
Director
DIN:08366070

ESSAR POWER LIMITED



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Notes

- 1 The above financial results for the quarter and year ended 31st March 2022 have been reviewed by the audit committee and approved by the Board of Directors at their meeting held on 13.08.2022 respectively and subject to limited review by independent auditor in accordance with requirement of regulation 52 of the SEBI (Listing Obligation and Disclosure Requirement) regulation 2015 as amended.
- 2 The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provision of the Act.
- 3 12.50% debentures of Rs. 1000 crore have been recalled by the holders thereof and legal proceedings have been initiated in the DRT-I, Mumbai during May 2017 in respect of the claim. The Company is contesting the claim and is taking appropriate steps to defend the proceedings before the DRT -I, Mumbai. The matter is being heard by DRT from time to time. The company was unable to carry its main business activity of power generation due to higher gas prices rendering the operations unviable and the plant being un-operational through out the year.

Material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the company has taken certain steps inter alia restructuring / settlement of subsidiary debts, settlement of loans of the Company etc will ensure continuous operations and the Company will be able to meet all its operational liabilities and financial liabilities. Therefore, the management has concluded to prepare financials results on a going concern basis.

- 4 The Company has issued corporate guarantees of Rs. 3758 crore (PY Rs. 4802 crore) to lenders of various subsidiaries of which Rs. 1600 Cr have been invoked. However, on account of various developments at subsidiary level, such as restructuring of loans by the lenders of the subsidiaries, repayment of overdue liabilities by the subsidiary, settlement of liability under SARFAESI and IBC processes, and discharge of corporate guarantees by holding company of EPOL, the Company is of the view that possibility of an outflow of resources embodying economic benefits is remote.

5 Investments:

(i) Essar Power Gujarat Limited (EPGL) the subsidiary, is working with its lenders to restructure the debt at a sustainable level. Meanwhile, one of the lenders has filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016. EPGL management has had various discussions with that lender for withdrawal of the NCLT application and expects the same to be withdrawn. Last NCLT Hearing date was 27 July 2022. Next hearing date is awaited. EPGL has submitted a One Time Settlement (OTS) offer to its consortium of Lenders of Rs 1600 crores towards full and final settlement of entire Rupee Term Loans and working capital loans along with all interests, charges and penalties (if any). Out of Rs 1600 crores, 10% upfront amount constituting to Rs 160 crore has already been arranged and offered to lenders. EPGL is awaiting confirmation from Lenders that the OTS process is in progress and is awaiting suspension of NCLT proceedings from the Lenders side. During the previous year, the Company had decided to change its accounting policy for Investments from Amortised Cost Basis to Fair Value. For this, Fair Valuation of EPGL is conducted by Investment Valuer. During the previous year the Company had changed fair valuation of investment by Rs.321.48 Crore.

Further during the year, As per Valuation Report, the Equity Value of EPGL by using the Discounted Cash flow (DCF) Method of Valuation as on March 31 2022 works out to Rs. 284 Cr. As per proposed restructuring, the Fair value of investment in EPGL is Rs. 210.16 Cr i.e. 74 % of EPGL equity value on diluted basis. In view of this, The Company has further changed fair valuation of investment by Rs.49.58 Crore.

(ii) Essar Power M.P. Ltd (EPMPL) was admitted for CIRP under the Insolvency and Bankruptcy Code, 2016 by the NCLT on 29th September, 2020. Resolution plan by Adani Power was approved by NCLT on 01.11.2021. The documentation and handover of EPMPL to Adani Power was closed in March, 2022. Pursuant to resolution proceedings all the corporate guarantees issued to the lenders of EPMPL were assigned to Adani Power Limited. Subsequently these corporate guarantees were released by Adani Power Limited vide release deed dated 7th June 2022 in consideration of co-operation provided by the Company to Adani Power Limited. With the change of control to the successful Resolution Applicant, the investment in EPMPL had been recategorized to Other Investment and 100% provision had been made for diminution in value of investments. The company did not get the fair valuation done since company does not expect to recover anything, fair value is considered as Nil. Accordingly the diminution in the value of investments is now being renamed as change in fair value of investments due to change in accounting policy.

During the year Entire investment in EPMPL is Extinguished. For accounting purpose the company has reversed the provision for investment created in earlier year of Rs.2923.96 Crore and the company booked Loss on Extinguishment of Non Trade Long Term Investments of Rs.2923.96 Cr in EPMPL.

(iii) Essar Power Jharkhand Limited has been admitted for liquidation under the IBC process on 3rd January, 2020, and all the assets of the subsidiary vest with the liquidator. The Company has made 100% provision has been made for diminution in value of investment. The company has not got the fair valuation done since company does not expect to recover anything, fair value is considered as Nil. Accordingly the diminution in the value of investments is now being renamed as change in fair value of investments due to change in accounting policy.

The Company has recognised guarantee expenses of Rs.815 Crores payable to the lenders of Essar Power Jharkhand Limited (subsidiary of the Company) (EPJHL). EPJHL had been referred to NCLT and a liquidation order was passed by the Hon'ble NCLT on 3rd January 2020. The Company, Essar Global Fund Limited (EGFL) and Essar Energy Limited (EEL) are the guarantors for the debt facilities of EPJHL. As per the settlement deed executed between the lenders of EPJHL and the guarantors, a one time settlement amount (OTS) of Rs.1215 Crores has been agreed towards settlement of entire dues of EPJHL and release of guarantees. OTS amount is payable by any of the guarantor. In view of same, EGFL has already paid the first & second instalment amounting to Rs.400 Crores. The Company has paid Rs. 30 Crores and balance amount of Rs.785 Crores is payable alongwith interest to the lenders of EPJHL. The guarantors have sought extension of time for payment of balance OTS amount.

The time provided for payment under OTS is lapsed and the company is in discussion with lenders for extension of time for payment.



ESSAR POWER LIMITED



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Notes

(iv) Power plants and substantial assets of Essar Power Orissa Limited and Bhandar Power Limited have been transferred by the lenders of these subsidiaries under the SARFAESI Act, 2002, in order to settle their outstanding dues. The Company has made 100% provision for diminution in value of investment. The company has not got the fair valuation done since company does not expect to recover anything, fair value is considered as Nil. Accordingly the diminution in the value of investments is now being renamed as change in fair value of investments due to change in accounting policy.

During the year entire beneficial interest held by the company in Essar power Orissa limited share capital has been transferred to Essar steel metal trading limited dated 03 March 2022. Thus The company do not have any control on Essar power orissa limited. All the operations and activities of EPORL are controlled by Essar steel Metal trading company. The company received full & final consideration of Rs. 0.01 Crore against all his investment in EPORL. In view of this, the company has reversed the provision for investment created in earlier year of Rs. 642.75 Crore and booked Loss of Rs.642.74 Crore.

During the year Entire stake held by the company in Bhandar power limited share capital has been transferred to Essar steel metal trading limited dated 28th December 2021. The company received full & final consideration of Rs. 10.28 Crore against all his investment in BPOL. In view of this, the company has reversed the provision for investment created in earlier year of Rs. 288.54 Crore and booked Loss of Rs.278.26 Crore.

(v) Essar Power Hazira Limited and Essar Power Transmission Limited, both subsidiaries, have been fair valued by an independent valuer by DCF method of income approach. Fair valuation gains of Rs. 425 crore has been recognized in the Statement.

6 Investment Held for sale :- Adani Transmission Limited (ATL) has signed definitive agreement with Essar power Ltd (EPOL) on 2 June 2022 for 100% stake in Inter-state transmission project owned, developed, and operated by Essar power Transmission Ltd (EPTCL). The enterprise value for the transaction is INR 1913 Crore. The proposed transaction will be executed through transactions steps which shall be subject to necessary regulatory approval and other consents.

7 Exceptional gain of Rs. (999.83) crore includes Majorly :-

(i) Rs. 815 crore recognised as guarantee expenses for lenders of Essar Power Jharkhand Limited (subsidiary of the Company) (EPJHL) made in earlier quarter. The provision had been made pursuant to liquidation order passed by the Hon'ble NCLT against the said subsidiary on 3rd Jan 2020. The Company was a guarantor of EPJHL term loan facilities along with Essar Globe Capital Fund (EGFL) and Essar Energy Limited. During the previous year a settlement deed was signed with ICICI bank wherein an one time settlement amount (OTS) of Rs.1215 cr has been arrived for liabilities in respect of the EPJHL Guarantees. As per the settlement deed, the amount is payable by any of the guarantor. EGFL has paid the first & second instalment amounting to Rs.400 crore and upon paying the balance amount of Rs.815 cr, all the guarantees provided for EPJHL will be released. In view of the same, the company has recognised as liability of Rs.815 Cr towards Guarantee Expenses.

(ii) Rs.921 Cr Loss on Sale of Non Trade Long Term Investments, Rs.2923.96 Cr Loss on Sale of Non Trade Long Term Investments, Rs.431.46 Cr Bad debts Written off for ICD Given and Rs.34.88 Cr provision created for deposit given to subsidiary.

(iii) Rs.102.23 Cr reinstate of the liability Brahmani Thermal Power Limited which were written back in earlier years as vendor was continuous demanding of said amount.

(iv) Offset by Rs. (3855.25 Cr) Reversal of Provision for impairment of investment, (Rs.697.49 Cr), Rs. (375.42 Cr) gain on account of change in Fair Value of investment, Rs (19.84 Cr) gain on account of reversal of impairment of property plant & equipment. Rs. (469.81 Cr) gain on account of reversal of provisions of ICD Given created in earlier years, Rs. (39.18) Cr gain on account of written back of inter deposit balances, Reversal of Write off Rs. (0.65 Cr) and Rs (0.05 Cr) Reversal of Interest on compound financial instruments.

(v) One time settlement gain

(a) Axis Bank Limited has approved the One Time Settlement (OTS) of its dues under NCDs facilities and certain exposures under Bank Guarantees. As per the OTS terms, the Company has paid part OTS amount till March 2022. The Company has paid the balance OTS amount alongwith interest till May 2022 on 31st May 2022 towards the agreed OTS amount for full and final settlement of NCDs subscribed by Axis Bank & certain exposure under Bank Guarantees. Accordingly, an OTS gain of Rs. 340.79 Crores has been considered in the books of accounts.

b) Yes Bank has approved the One Time Settlement (OTS) of its dues. As per the OTS terms, the Company has paid part OTS amount till March 2022. The Company has paid the balance OTS amount alongwith interest till June 2022 on 30th June 2022 towards the agreed OTS amount for full and final settlement of term loan of Yes Bank and No Dues Certificate have been received dated July 25,2022. Accordingly, an OTS gain of Rs. 350.38 Crores has been considered in the books of accounts.

(c) Punjab National Bank has approved the One Time Settlement (OTS) of its dues under NCDs facilities. As per the OTS terms, the Company has paid the approved OTS amount of towards full and final settlement. The Company has paid the agreed OTS amount by 31st May 2022 for full and final settlement of NCDs subscribed by PNB and No Dues Certificate have been received dated June 16, 2022. Accordingly, an OTS gain of Rs. 6.31 Crores has been considered in the books of accounts.

(vi) (Rs.776.38 Cr) Interest on optionally convertible redeemable preference shares reversed as per confirmation received from respective companies dated 29 July 2022 that no amount is due or outstanding towards redemption premium and accumulated dividend for the optionally convertible redeemable preference shares converted into equity shares.

8 During the year, the company entered a term loan agreement with Logan Advisors Limited for payment of towards settlement obligations of its existing debt. The company received Loan of Rs.185.23 Cr during the current year. The Loan has been secured / to be secured subject to existing charges on its following assets: -

- movable plant & machinery

- current assets, receivables & book debts, bank accounts, inventory

- pledge on 21,25,00,000 equity share capital of EPOL held by ESMTL

- all amount owing to, and received and/ or receivable by the company and / or any person (s) on its behalf in relation to sale, transfer, disposition of shares and / or invocation of shares (both equity & preference shares) held by the company in Essar Power Hazira Limited, both present and future



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Notes

- 9 The Company has shown receivables of Rs. 1,066.86 crore (including delay payment charges of Rs. 582.25 crore) from GUVNL. There are two matters presently under litigation with GUVNL, as explained below, broadly termed as wrongful deduction and alleged diversion. Based on the favourable orders in these matters the management believes that the claims by GUVNL would not be tenable and hence is confident of realizing the total amount of Rs 1,066.86 crores (including delayed payment charges of 582.25 Crores).

Wrongful Deduction: GUVNL has deducted a large sum of principal amount aggregating to Rs.234 Crores from the monthly invoices of Essar Power Limited over a period of 2003 to 2013 for various reasons. GERC has, vide its Orders dated 22nd October 2014 and 21st November 2014, approved EPOL's claim of Rs.234 Crores towards principal amount along with interest of Rs.447 Crores from 2004 to 2014. Further interest shall be payable till the date of actual payment. GUVNL has filed an appeal before APTEL, while the Company has filed an affidavit stating that the order of GERC is correct. The Company has filed written submissions before APTEL with claim of Rs. 1171 crore

GUVNL has filed an Appeal (No.2 of 2015) in APTEL against the above order of GERC. APTEL has, vide its Order dated 7th April 2022 dismissed the GUVNL appeal and directed GERC to compute the amounts wrongfully withheld by GUVNL. The Company has filed its claim of ~Rs.1556 Crores at GERC as per directives of APTEL.

GUVNL has filed a SLP in Hon'ble Supreme Court appealing against the APTEL Order dated 7th April 2022.

Based on the favourable orders by GERC and APTEL, the management believes that GUVNL appeal would not be tenable and the Company is confident of realizing the claim amount.

Wrongful Allocation: The Company had signed separate Power Purchase Agreement with Gujarat Urja Vikas Nigam Limited (GUVNL) and Essar Steel India Limited (now known as ArcelorMittal Nippon Steel India Limited) (ESIL) for 300 MW and 215 MW capacity respectively. In the matter, Hon'ble Supreme Court, vide its order dated 9th August 2016, has set aside the APTEL order and restore the order dated 18th February 2009 of GERC. The Company had filed claim of Rs.437 Crores receivable from GUVNL while GUVNL has filed a revised claim of Rs. 789 Crores as receivable from the Company. GERC analysed the calculations and vide its order dated 27th December 2019 directed the Company to pay Rs.201.18 Crores (including interest amount of Rs.137.14 Crores). In view of some of the apparent errors in the order like arithmetic calculation, calculations on half-hourly basis instead of hourly basis, delayed payment charges etc, a review petition has been filed by the Company in GERC praying for rectification in the order and stay on its impugned order dated 27th December 2019. The Company has also been filed an appeal in APTEL against the impugned order of GERC. GUVNL has also filed execution petition in GERC and an appeal in APTEL in the matter. Next date of hearing is not scheduled in the petition and appeals.

- 10 During the financial year 20-21, the Company had changed its accounting policy for Investments in Equity and Compulsory convertible preference shares in its Subsidiaries from Cost to Fair Value in accordance with IND-AS-109. The management believes that the change results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows. Since the data have not been collected in the prior period(s) in a way that allows retrospective application of the change in accounting policy, the Company has applied the change in accounting policy to the carrying amounts of assets and liabilities as at 31st March 2021.

During the year also The Company has obtained valuation report from a valuation expert as at 31 March 2022 for subsidiaries and The company has valued Investments in Equity and Compulsory convertible preference shares in its Subsidiaries at Fair Value in accordance with IND-AS-109.

- 11 The company was unable to carry its main business activity of power generation due to higher gas prices rendering the operations unviable and the plant being un-operational throughout the year, During the year and the quarter ended on 31st March 2022,, the Company has not earned any financial income from the investment made in the SPVs involved in the power business. However, the financial assets of the Company are more than 50% of its total assets. It is to be noted that to classify as NBFC, both the conditions related to financial asset and financial income should be met. Since the company has never carried on the business of NBFC, it applied for and is awaiting the RBI exemption from registration as a NBFC for FY 2016-17, FY 2017-18 , FY 2018-19 , FY 2019-20 , FY 2020-21 & FY 2021-22. The company had earlier received similar exemption from RBI for the FY 2015-16.

- 12 During the year, the Company could not service its debentures. LIC being major debenture holder has given in-principle approval to One Time Settlement (OTS) and final approval is awaited from them. Other debenture holders have agreed to OTS and the Company has made part payment to them. The Company shall be making balance payment under OTS in due course. Apart from aforesaid dues to debenture holders, the Company has settled dues of some of the debentures holders as per mutually agreed terms.

- 13 Covid-19 has impacted businesses globally and in India. The Company has considered the possible effect that may results from the pandemic relating to Covid-19 on the carrying amounts of receivable and other assets. The management believes that there is not much of impact likely on its operations and results due to this pandemic. The Company expects to fully recover the carrying amount of these assets. However, the management will continue to closely monitor the performance of the Company. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these financial statements

- 14 Formulae for computation of ratios are as follows:

(a) Debt Equity ratio: Debt represent borrowing, Equity includes share capital and other Equity excluding revaluation reserve.

(b) Debt service coverage ratio: Profit / (loss) before Interest and tax / Interest expenses excluding amortization of financing charges + principal repayment of borrowing made during the period / year.

(c) Interest service coverage ratio: Profit / (loss) before Interest and tax / Interest expenses excluding amortization of financing charges.

(d) Net worth: Total equity excluding other comprehensive income, Revaluation reserve and reserve created out of amalgamation.

- 15 Figures for the previous periods/ years have been regrouped/reclassified, wherever necessary to correspond with the current period / years classification / disclosure.

- 16 Paid up equity share capital includes Equity component of convertible preference shares of Rs. 2796.55 Crore.

- 17 Below Statement as at March 31, 2022 containing details of outstanding debenture of company.



ESSAR POWER LIMITED



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com

Corporate Office:Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Notes

ISIN no.	Issuance date	Maturity date	Coupon rate	Payment frequency	Embedded option, if any	Amt. issued (in Rs.)	Amt. outstanding (in Rs.)
INE 538F07116	04-06-2010	31-03-2018	11.25%	Monthly	N.A.	2,00,00,00,000	48,00,00,000
INE 538F07124	04/08/2010 and 23/09/2010	31-03-2018	10.25%	Monthly	N.A.	3,50,00,00,000	2,45,00,00,000
INE 538F07132	01-07-2013	30-06-2024	12.50%	Quarterly	N.A.	7,50,00,00,000	24,00,00,000
INE 538F07140	05-09-2013	05-09-2024	12.50%	Quarterly	N.A.	10,00,00,00,000	10,00,00,00,000

18 The above financial results for the three month period ended 31st March 2022 do not include corresponding figures for quarters ending on 31st March, 2021 as relaxations for these columns have been granted by SEBI vide its circular dated 5th October, 2021 for entities that do not have these results.

Place :- Mumbai
Date :- 13th Aug 2022

For and on behalf of the Board of Directors


Vishnu Dutt Mutha
Director
DIN:08366070



Essar Power Limited

Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India

CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India



Rs. In crores

Statement on Impact of Audit Qualifications for the Year ended March 31,2022 [Regulation 62 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications:- Impact of qualifications)
	1.	Turnover / Total income (Including exceptional items)	1,055.41	1,055.41
	2.	Total Expenditure	745.53	2,686.32
	3.	Net Profit/(Loss)	309.87	(1,630.92)
	4.	Earnings Per Share	0.25	(1.34)
	5.	Total Assets	4,561.94	4,561.94
	6.	Total Liabilities	(4,561.94)	(6,502.73)
	7.	Net Worth	(912.24)	(2,653.03)
II. Audit Qualification (each audit qualification separately):				
Details of Audit Qualification:				
<p>1. Going Concern: Material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern however the Statement has been prepared as a going concern. The impact of the same on the standalone financial results of the Company is unascertainable.</p> <p>2. Corporate guarantees of Rs. 4920.08 crore issued by the Company were invoked by the lenders of Essar Power Jharkhand Limited which were settled for Rs. 1215 crore. The group has paid Rs. 430 crore against the settlement amount and a provision for the balance Rs. 785 crore has been made by the Company. The due date for payment of the settlement amount has lapsed resulting in cessation of the settlement deed and reinstatement of liability to the original amount. The Company is in discussions with the lenders for extension of the repayment schedule and has accordingly not made any more provisions. Further, corporate guarantees of Rs. 5246.11 crore. The Company have been invoked by the lenders of Essar Power Gujarat Limited. The Company expects that restructuring would be implemented and the corporate guarantee would be reduced to sustainable debt level of Rs. 1600 crore. The Company has not made any provision for corporate guarantees as it believes the possibility of economic outflow is remote. Had the Company made the provisions the loss for the period would have been higher by Rs. 1600 crore and the net worth would have been lower by the same amount.</p> <p>3. The Company has recognized a one-time gain of Rs. 340.79 crore arising from settlement of outstanding dues towards NCDs and corporate guarantees issued to Axis Bank Limited. The settlement amount as per old OTS letters was partly paid before March 2022 and balance by May 2022. While revalidated OTS letters and no dues certificate is pending from the bank, the Company has recognized the gains in FY 2021-22 following the payments made. Had the gains been taken after receipt of these documents, the loss for the year would have been higher by Rs. 340.79 crore and the net worth could have been lower by the same amount.</p>				
III. Signatories:				
		CEO :- Kush		
		CFO :- Kapil Singla		
		Audit Committee Chairman :- Birendra Mohapatra		
		Statutory Auditor :- Rishabh Chaturvedi		
		Place: Mumbai		
		Date :- 13th Aug 2022		



Essar Power Limited



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India

CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in

Corporate Office:Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Sr. No.	Particulars	Rs. in Crore			
		3 Months Ended 31.03.2022	3 Months Ended 31.12.2021	Year to Date Ended 31.03.2022 (Audited)	Year Ended 31.03.2021 (Audited)
1	Debenture Redemption Reserve (Amount in crore)	49.65	49.65	49.65	49.65
2	Net Worth Amount in Crore (Note 1)	(912.24)	(2,570.50)	(912.24)	(1,222.06)
3	Net Profit After Tax Amount in Crore	1,658.30	(204.54)	309.87	(379.84)
4	Earnings Per Share (Face value of 4/- per share)	1.36	(0.17)	0.25	(0.31)
5	Debt-Equity ratio (Note 2)	(5.99)	(2.62)	(5.99)	(4.41)
6	Debt Service Coverage Ratio (Note 3)	(0.02)	(0.46)	(0.01)	(0.18)
7	Interest Service Coverage Ratio (Note 4)	(0.03)	(0.03)	(0.01)	(0.01)
8	Current Ratio (Note 5)	0.42	0.17	0.42	0.21
9	Long Term Debt to Working Capital (Note 6)	(0.98)	(1.21)	(0.98)	(1.27)
10	Bad Debts to Account Receivable Ratio (Note 7)	NA	NA	NA	NA
11	Current Liability Ratio (Note 8)	1.20	1.61	1.20	1.29
12	Total Debts to Total Assets (Note 9)	1.20	1.62	1.20	1.29
13	Debtors Turnover (Note 10)	0.00	0.00	0.05	0.00
14	Inventory Turnover (Note 11)	0.06	0.05	5.94	0.51
15	Net Profit Margin (Note 12)	1,610.00	(358.85)	5.58	(52.10)

Disclosure under as per Clause 54(2) of SEBI (LODR) Regulations, 2015

<p>The Company shall maintain 100% asset cover or higher asset cover as per the terms of offer document/Information Memorandum and/or Debenture Trust Deed sufficient to discharge the principal amount at all times for the non-convertible debt securities issued. The extent and nature of security created and maintained with respect to its secured listed non-convertible debt securities</p>	<ul style="list-style-type: none"> - First charge on fixed assets of the Company - Pledge on shares of the Company - Deed of Hypothecation on residual cash flow available on sale of investments in subsidiary -The Company's assets have depreciated / impaired due to various issues like de-allocation of coal mines, non-availability of fuel i.e. coal or natural gas at competitive price, non-availability of PPAs etc. The power plant of the Company has been non-operational for almost nine years which has badly affected the revenue stream of the Company.
--	---

Note

1. Net worth = Equity Share Capital + other Equity -- Deferred revenue expenditure -- Revaluation Reserve.
2. Debt Equity ratio = (Non-convertible debentures + Subordinated Liabilities + Bank borrowings) / (Equity share Capital + Other Equity).
3. Debt service coverage ratio: Profit / (loss) before Interest and tax / Interest expenses excluding amortization of financing charges + principal repayment of borrowing made during the period / year.
4. Interest service coverage ratio: Profit / (loss) before Interest and tax / Interest expenses excluding amortization of financing charges
5. Current Ratio = Current assets/current liabilities. (Based on the maturity of assets/liabilities).
6. Long term debt to working capital = (Non-convertible debentures + Subordinated Liabilities + Term Loan from Bank)/ (Current assets - current liabilities).
7. Bad debts to Account receivable ratio = Bad debts / Gross AUM.
8. Current liability ratio = current liabilities/ Total liabilities.
9. Total debts to total assets = (Non-convertible debentures + Subordinated Liabilities + Bank borrowings)/ total assets.
10. Debtor Turnover ratio = Revenue from operations/ Debtors
11. Inventory Turnover ratio = Revenue from operations/ Inventory
12. Net profit margin = Profit after tax/Total income.

Place :- Mumbai
Date :- 13th Aug 2022

For and on behalf of the Board of Directors



Vishnu Dutt Mutha
Vishnu Dutt Mutha
Director
DIN:08366070

Essar Power Limited
Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824
Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in
Corporate Office:Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

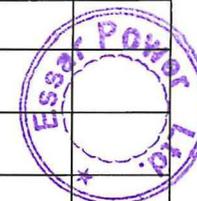


Disclosure of related party transactions For the Half Year ended March 31,2022

Annex

Amt In Cr

S. No	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Details of the loans, inter-corporate deposits, advances or investments				
											Nature (loan/ advance/ inter- corporate deposit/ investment	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
1	Essar Power Limited	AAACE0895J	Essar Power Gujarat Limited	AABCE7510K	Subsidiary	Intercorporate deposit Given	21.29	21.29	95.80	117.09	Intercorporate deposit Given	11.50%	1 Year	Unsecured	Supporting subsidiary for
2	Essar Power Limited	AAACE0895J	Essar Electric Power Development Corporation Ltd	AAACE9410H	Subsidiary	Refund of Intercorporate deposit	10.70	10.70	-	11.57					
3	Essar Power Limited	AAACE0895J	Essar Electric Power Development Corporation Ltd	AAACE9410H	Subsidiary	Intercorporate deposit Given	6.50	6.50	-	11.57	Intercorporate deposit Given	9.50%	1 Year	Unsecured	Supporting subsidiary for Statutory Expenses
4	Essar Power Limited	AAACE0895J	Essar Electric Power Development Corporation Ltd	AAACE9410H	Subsidiary	Assignment of Intercorporate deposit	15.77	15.77	-	11.57					
5	Essar Power Limited	AAACE0895J	Essar Power Hazira Limited	AABCE8234A	Subsidiary	Intercorporate deposit Taken	45.48	45.48	56.90	57.35					
6	Essar Power Limited	AAACE0895J	Essar Power Hazira Limited	AABCE8234A	Subsidiary	Refund of Intercorporate deposit Taken	45.03	45.03	56.90	57.35					
7	Essar Power Limited	AAACE0895J	Bhander Power Limited	AAACB6693B	Subsidiary	Intercorporate deposit Given	0.30	0.30	0.10	-					
8	Essar Power Limited	AAACE0895J	Bhander Power Limited	AAACB6693B	Subsidiary	Intercorporate deposit Assigned	0.39	0.39	0.10	-					
9	Essar Power Limited	AAACE0895J	Bhander Power Limited	AAACB6693B	Subsidiary	Refund of Intercorporate deposit Taken	0.09	0.09	0.10	-					
10	Essar Power Limited	AAACE0895J	Essar Power Orissa Limited	AABCE6129N	Subsidiary	Intercorporate deposit Taken	0.27	0.27	0.42	-					
11	Essar Power Limited	AAACE0895J	Essar Power Orissa Limited	AABCE6129N	Subsidiary	Written Back of Inter deposit	0.66	0.66	0.42	-					
12	Essar Power Limited	AAACE0895J	Renjoules International Limited	AASCA3029J	Enterprise commonly controlled	Intercorporate deposit Taken	3.20	3.20	6.06	3.71					
13	Essar Power Limited	AAACE0895J	Renjoules International Limited	AASCA3029J	Enterprise commonly controlled	Refund of Intercorporate deposit Taken	1.35	1.35	6.06	3.71					
14	Essar Power Limited	AAACE0895J	Renjoules International Limited	AASCA3029J	Enterprise commonly controlled	Assignment of Intercorporate deposit	4.20	4.20	6.06	3.71					



S. No	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature (loan/ advance/ inter- corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
15	Essar Power Limited	AAACE0895J	Essar Power	AABCE6085B	Subsidiary	Assignment of Intercorporate deposit	21.00	21.00	10.74	-					
16	Essar Power Limited	AAACE0895J	Essar Power	AABCE6085B	Subsidiary	Written Back of Inter deposit	31.74	31.74	10.74	-					
17	Essar Power Limited	AAACE0895J	Essar Steel Metal Trading Limited	AABCE4851F	Enterprise commonly controlled	Refund of Intercorporate deposit Taken	5.88	5.88	311.33	407.17					
18	Essar Power Limited	AAACE0895J	Essar Steel Metal Trading Limited	AABCE4851F	Enterprise commonly controlled	Assignment of Intercorporate deposit	153.02	153.02	311.33	407.17					
19	Essar Power Gujarat Limited	AABCE7510K	Essar Electric Power Development Corporation Lid	AAACE9410H	Subsidiary	Advance	-	-	0.29	0.29					
20	ULNG Urja LNJ Limited	AADCE8218L	Essar Electric Power Development Corporation Lid	AAACE9410H	Subsidiary	Refund of Intercorporate deposit	8.99	8.99	8.99	-					
21	ULNG Urja LNJ Limited	AADCE8218L	Kumudini power limited	AAHCK6794R	Subsidiary	Intercorporate deposit Given	0.10	0.10	-	0.10	Intercorporate deposit Given	11.50%	1 Year	Unsecured	Supporting subsidiary for Statutory
22	ULNG Urja LNJ Limited	AADCE8218L	Renjoules International Limited	AASCA3029J	Subsidiary	Intercorporate deposit Taken	0.50	0.50	-	0.47					
Total (of Note 6b)								376.46							

Place :- Mumbai

For and on behalf of the Board of Directors

Date :- 13th Aug 2022



Vishnu Dutt Mutha
Vishnu Dutt Mutha
Director
DIN:08366070

Independent Auditor's Report on the Year Ended Audited Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To
The Board of Directors of
Essar Power Limited**

Report on the Audit of the Consolidated Financial Results

Qualified Opinion

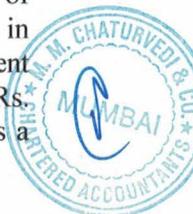
We have audited the accompanying statement of consolidated financial results of Essar Power Limited ('the Company'), and its subsidiaries (Company and subsidiaries together referred to as Group) for the year ended March 31, 2022, ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

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 reports of other auditors on separate audited financial statements of the subsidiaries and based on unaudited financial results of the subsidiaries as referred to in Other Matters paragraph, the Statement:

- i. Includes the results of the following subsidiaries:
 - Essar Power Gujarat Limited
 - Ultra LNG Urja Limited
 - Essar Power Transmission Company Limited
 - Essar Power Hazira Limited
 - Essar Electric Power Development Corporation Limited
 - Metanergy Powerex Limited
 - Kumudini Power Limited
 - Integrate Offshore Private Limited
 - Renjoules International Limited
 - Essar Power Overseas Limited
 - Bhader Power Limited (discontinued)
 - Essar Power Orissa Limited (discontinued)
- ii. Is presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. Except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph below, gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Group for the year ended March 31, 2022.

Basis for Qualified Opinion

1. As explained in Note 3 to the Statement, the Company has received a recall notice from one of the lenders for repayment of total outstanding and the lender has initiated legal proceedings in DRT-1, Mumbai for recovering the same. The Group's current liabilities exceeds its current assets by Rs. 11,196.93 crore for FY 2021-22 and the Group has a negative net worth of Rs. 15,886.06 Crore. Further, as mentioned in our qualification No. 2 below, the Company has a



substantially material liability on account of corporate guarantees invoked by the lenders of the subsidiaries for which the Company has not made provisions in the Statement. The Company's plant has been impaired to its realizable value and EPGL, a subsidiary, has made further impairments to its plant. As explained in Note 5(iii), the Company has transferred the entire stake in BPOL and EPORSL. Further, as mentioned in Note 5(ii), the Company has written off its investments in EPMPPL following the completion of the IBC process and as mentioned in Note 5(v), investments in EPJHL have been completely impaired as it is under liquidation. In case of EPGL, a subsidiary of the Company, the ability to continue as going concern depends on EPGL's ability to sign a tripartite agreement with GUVNL to complete pass through till December, 2022, reduction in HBA price, High Court to put a stay on NCLT proceedings, and the possibility of a one-time settlement and/or re-phasing of debt by lenders of EPGL. These situations indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern however Statement does not disclose this fact. The impact of the same on the standalone financial statements of the Company is unascertainable.

2. Corporate guarantees of Rs. 4920.08 crore issued by the Company were invoked by the lenders of Essar Power Jharkhand Limited, an erstwhile subsidiary, which were settled for Rs. 1215 crore as explained in Note 5(v). While the group has paid Rs. 430 crore against the settlement amount and a provision for the balance Rs. 785 crore has been made by the Company, the due date for payment of the settlement amount has lapsed resulting in cessation of the settlement deed and reinstatement of the liability to the original amount. However, as explained in the said note, the Company is in discussions with the lenders for extension of the repayment schedule and has accordingly not taken any further provisions. Since the matter is in discussion stage with the lenders, the impact on the consolidated financial statements is unascertainable
3. As disclosed in Note 7(viii)(a) the Company has recognized a one-time gain of Rs. 340.79 crore arising from settlement of outstanding dues towards NCDs and bank guarantees issued to Axis Bank Limited. The settlement amount as per old OTS letters was partly paid before March 2022 and balance by May 2022. While revalidated OTS letters and no dues certificate is pending from the bank, the Company has recognized the gains in FY 2021-22 following the payments made. Had the gains been taken after receipt of these documents, the loss for the year would have been higher by Rs. 340.79 crore and the net worth could have been lower by the same amount.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ('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 opinion.

Emphasis of Matter

1. As disclosed in Note 7 the Group has recognized exceptional gain of Rs. 268.97 crore which is majorly on account of one time settlement gains of Rs. 697.49 crore, reversal of interest on OCRPS of Rs. 776.37 crore, write back of balances of Rs. 171.43 crores as reduced by provision made for corporate guarantee of Rs. 815 crore, provision for impairment of PPE of Rs. 510.82 crore, and reinstating of liability earlier written back of Rs. 102.23 crore. We also draw attention to Note 39(iv) with regard to net gain of Rs. 18.70 crore on transfer and extinguishment of the Company's shareholdings in its subsidiaries.



2. Note 9(a) regarding status of litigation with the customer (GUVNL). Trade receivables of Rs. 1,066.86 Crore (including delayed interest and overdue interest thereon aggregating to Rs. 582.25 Crore) as at 31st March, 2022 from the said customer are unconfirmed and represent amounts withheld by GUVNL substantially on account of the disputed matters described in the note. Based on earlier favourable decision of GERC which is contested by GUVNL, no provision is considered necessary against the claim or towards the disputed receivables recorded in the books of account in accordance with the Power Purchase Agreement with GUVNL.
3. Note 11 regarding the Company's Non-Banking Finance Company ("NBFC") status. The Company has applied to the Reserve Bank of India seeking waiver from registration as NBFC for FY 2021-22 on 9th December, 2022, and is awaiting reply on the same. The Company had filed a similar application for FY 2020-21, FY 2019-20, FY 2018-19, 2017-18 and FY 2016-17 as well, for which it is yet to receive any response.
4. Note 6 regarding reclassification of non-current investment in Essar Power Transmission Company Limited to investments held for sale following a definitive agreement signed between the Company and Adani Transmission Limited on 2nd June, 2022 for transfer of the investment.
5. As mentioned in Note 5(i), one of the lenders of EPGL has filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016, in Hon. National Company Law Tribunal (NCLT) Ahmedabad Bench against the Company in May 2021. EPGL has filed a written petition in the High Court against SBI requesting to put a stay on NCLT proceeding considering the positive development. The Company has continued to show 100% investment in EPGL even though 51% of the shares of those subsidiary were invoked by the lenders of the subsidiary.
6. As mentioned in Note 9(b), trade receivables amounting to Rs 52.14 Crores pertaining to the period from March 24, 2020 to May 9, 2020, are disputed on account of invocation of force majeure clause of PPA by the debtor due to lockdown restrictions imposed by the Government of India during the outbreak of COVID 19 pandemic. However, the said amount is recoverable as per the legal opinion obtained by the management of the subsidiary and ongoing discussions with the debtor.

Our opinion is not modified in respect of the above matter.

Management's Responsibility for the Standalone Financial Statements

The Statement has been prepared on the basis of the consolidated annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income of the Group and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the respective Board of Directors of the companies included in the Group



are responsible for assessing the Group'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 the respective Board of Directors either intends to liquidate their companies or to cease operations, or have no realistic alternative but to do so.

The Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

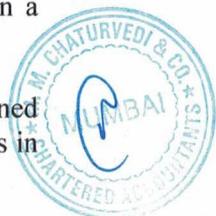
Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Statement 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 Statement, including the disclosures, and whether the Statement represents 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.

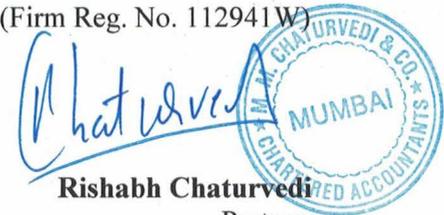
Other Matter

1. We did not audit the financial statements of nine subsidiaries, whose financial statements reflect total assets of Rs. 5,715.68 Crore as at 31st March, 2022, total revenues of Rs. 869.11 Crore and net cash inflow amounting to Rs. 64.76 Crore for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
2. The Consolidated Financial Statements include the unaudited financial statements of three companies (1 subsidiary and 2 erstwhile subsidiaries), whose financial statements reflect total assets of Nil as at March 31, 2022 and total net revenues of Rs. 0.06 crore (the management accounts do not provide for cash flow statements), as considered in the Consolidated Financial Statements. These financial statements are unaudited and 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 our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements.

Our opinion on the Consolidated Financial Statements, is not modified in respect of above matters with respect to our reliance on the work done and report of the other auditors and financial statements provided by the Management.

Mumbai
13 August, 2022

For **M.M.Chaturvedi & Co.,**
Chartered Accountants
(Firm Reg. No. 112941W)



Rishabh Chaturvedi

Partner

Membership No. 124465
UDIN: 22124465AOYOYT1181

ESSAR POWER LIMITED

Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India



Rs. in Crore

Audited financial Results for the Year ended 31st March 2022		
Particulars	Year Ended	Year Ended
	31.03.2022	31.03.2021
	Audited	Audited
1. (a) Net Sales/Income from Operations	474.43	2,622.32
(b) Other Income	19.31	19.60
1 Total for income from operation	493.74	2,641.92
2. Expenditure		
(a). Cost of Fuel	-	1,340.81
(b). Cost of Traded goods Sold	0.35	13.41
(c). Employees cost	71.70	116.29
(d). Depreciation	113.22	348.03
(e). Other expenditure	258.72	303.03
2 Total Expenses	443.99	2,121.57
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	49.75	520.35
5. Interest	1,521.55	2,615.99
6. Exceptional items	(268.98)	(10,860.41)
7. Profit (+)/ Loss (-) from Ordinary Activities before tax (4) - (5+6)	(1,202.83)	8,764.76
9. Tax expense	54.48	238.11
10. Net Profit (+)/ Loss (-) from Ordinary Activities after tax (8-9)	(1,257.31)	8,526.65
Profit & Loss for the year of Assets Classified as held for Sale	52.20	-
Tax Expenses/(Credit) of Assets Classified as held for Sale	(20.88)	-
Profit/(Loss) for the year from Assets Classified as held for Sale	31.31	-
8. Net Profit(+)/ Loss(-) for the period	(1,226.00)	8,526.65
Other Comprehensive Income		
(i) Items that will not be reclassified to profit or loss	0.13	(0.72)
9. Total comprehensive income for the year, net of tax	(1,225.87)	8,525.93
Items that will be reclassified to profit or loss	(124.08)	39.10
10. Total comprehensive income for the year, net of tax	(1,349.96)	8,565.03
11. Paid-up equity share capital & Preference share capital	7,671.09	7,671.14
12. Paid up Debt Capital	13,273.50	14,241.92
13. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	(13,132.41)	(12,686.88)
14. Debenture Redemption Reserve	49.64	49.64
15. Earnings Per Share (in Rs.)	(1.03)	7.00
16. Debt Equity Ratio	(2.43)	(2.84)
17. Debt Service Coverage Ratio	0.00	0.04
18. Interest Service Coverage Ratio	0.03	0.20

Place :- Mumbai

Date :- 13th August 2022

For and on behalf of the Board of Directors


Vishnu Dutt Mutha
Director
DIN:08366070



ESSAR POWER LIMITED

Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824



Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com
Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Consolidated Statement of Asset & liabilities

Rs. in Crore

	As at 31/03/2022 (Audited)	As at 31/03/2021 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	3,183.94	5,753.22
Intangible assets	0.04	60.78
Capital work in progress	-	9.13
Right of use asset	16.78	17.34
Financial assets:		
Investments	0.06	0.00
Loans	24.78	28.81
Other financial assets	1.47	5.47
Deferred tax assets (net)	0.39	0.35
Other non-current assets	23.51	17.34
	3,250.97	5,892.44
Current assets		
Inventories	93.42	93.86
Financial assets:		
Investments	0.23	2.13
Trade receivables	1,293.72	1,410.46
Cash and cash equivalents	60.57	95.98
Bank balances other than cash and cash equivalents	67.21	150.55
Loans	84.68	40.63
Other financial assets	2.22	4.37
Current tax assets (net)	33.54	58.28
Other current assets	31.99	68.63
	1,667.58	1,924.89
Assets Classified as held for Sale	2,197.10	
	7,115.65	7,817.33
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	4,874.54	4,874.54
Other equity		
Equity component of convertible preference shares	2,796.55	2,796.60
Reserve and surplus	(12,983.09)	(12,661.62)
Other reserves	(149.32)	(25.26)
	(5,461.32)	(5,015.74)
Non-controlling interest	(2,498.44)	(1,803.61)
	(7,959.76)	(6,819.35)
LIABILITIES		
Non-current liabilities		
Financial liabilities:		
Borrowings	613.57	2,267.27
Other financial liabilities	-	11.99
Provisions	2.71	4.70
Deferred tax liabilities (net)	102.94	94.49
Other non-current liabilities	36.75	38.01
	755.97	2,416.46
Current Liabilities		
Borrowings	4,957.27	5,036.03
Lease Liabilities	0.27	0.27
Financial Liabilities:		
Trade payables		
Total outstanding of micro and small enterprises	6.61	11.06
Others	188.85	206.72
Other financial liabilities	7,702.66	6,938.62
Provisions	0.15	0.14
Current tax liabilities (net)	0.08	0.04
Other current liabilities	8.62	27.33
	12,864.51	12,220.22
Liabilities directly associated with Assets Classified as Held For Sale	1,454.91	
	7,115.65	7,817.33

Place :- Mumbai

Date :- 13th August 2022

For and on behalf of the Board of Directors



Vishnu Dutt Mutha
Vishnu Dutt Mutha
Director
DIN:08366070

ESSAR POWER LIMITED

Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India

CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400 Fax: +91 261 668 2747 E-mail: powersec@essarpower.co.in Website: www.essar.com
Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

		Rs. In Crore	
		For the Year ended March 31, 2022	For the Year ended March 31, 2021
		Audited	Audited
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Loss before tax for the year	(1,202.83)	8,764.76
	Adjustment for :		
	Depreciation/amortisation	113.22	347.98
	Provision for impairment of property, plant and equipment	510.84	94.45
	Loss/ (Profit) on loss of Control in Subsidiary	(18.70)	(9,840.37)
	Exceptional - Others	815.00	(441.51)
	Loss/ (Gain) on Settlement / approval of settlement by lenders	(697.49)	(1,081.10)
	Finance costs	1,521.55	2,615.99
	Write back of Liabilities	(171.43)	(142.04)
	Asset Written off	0.40	-
	Unwinding of discount / adjustment on R&R provisions	(0.19)	0.35
	Reversal of Interest on optionally convertible redeemable preference shares	-	(1.21)
	Reversal of Provision Others	(469.81)	-
	Reversal of provision for doubtful debts	(0.05)	-
	Bad Debts	439.13	120.50
	Reversal of Provision of ICD	-	(20.00)
	Reversal of Provision of ICD & Int	-	(5.42)
	Miscellaneous Income	(2.52)	(1.41)
	Interest income	(3.05)	(6.99)
	Reinstatement of Liability	102.23	-
	Reversal of Interest on optionally convertible redeemable preference shares	(776.37)	-
	Unrealised forex (gain)/loss	0.81	0.65
		1,363.57	(8,360.21)
	Operating loss before working capital changes	160.74	404.55
	Movement in working capital:		
	(Increase)/ Decrease in trade receivables	14.75	(125.28)
	(Increase)/ Decrease in inventories	(1.20)	225.38
	Decrease in loans, advances and deposits	(128.32)	(98.00)
	Increase / (Decrease) in trade payable, other liabilities and provisions	934.51	(288.30)
		819.74	(286.20)
	Cash generated from / (used in) operations	980.48	118.35
	Direct taxes paid	1.19	8.17
	Net cash from / (used in) operating activities	981.67	126.52
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets, (increase) / decrease in capital work in progress	(4.59)	(22.32)
	Sale of fixed assets, (increase) / decrease in capital work in progress	0.01	-
	Purchase of mutual fund	-	(84.61)
	Proceeds from sale of units of mutual fund	1.92	82.66
	Proceeds from Sale of Subsidiaries	10.30	-
	Investment towards equity	0.05	-
	Fixed / margin deposits placed with banks	(35.35)	(25.77)
	Fixed / margin deposits matured / withdrawn	12.88	21.87
	Change in Inter corporate deposit (placed)/Refund	(11.84)	7.90
	Assets Classified as held for Sale (Net of Liabilities)	(742.18)	-
	Interest received	2.22	4.99
	Net cash from Investing activities	(766.58)	(15.28)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from borrowings	185.23	175.00
	Repayment of borrowings	(220.00)	(721.40)
	Changes in short term borrowings (net)	(48.88)	7.68
	Inter corporate deposits taken/Repaid	(19.76)	(74.22)
	Finance and lease charges paid	(117.19)	(502.67)
	Proceeds from issue of share capital	2.10	393.95
	Interest, lease and Finance charges	(2.00)	(2.00)
	Guarantee expenses	(30.00)	529.89
	Net cash used in financing activities	(250.50)	(193.77)
	Net increase in cash and cash equivalents (A+B+C)	(35.41)	(82.53)
	Cash and cash equivalents at the beginning of the year	95.98	178.51
	Cash and cash equivalents at the end of the year	60.57	95.98
		(35.41)	(82.53)

Place :- Mumbai
Date :- 13th August 2022

For and on behalf of the Board of Directors



Vishnu Dutt Mutha
Vishnu Dutt Mutha
Director
DIN:08366070

ESSAR POWER LIMITED



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Notes

- 1 The above financial results for the quarter and year ended 31st March 2022 have been reviewed by the audit committee and approved by the Board of Directors at their meeting held on 08.08.2022 respectively and subject to Limited review by independent auditor in accordance with requirement of regulation 52 of the SEBI (Listing Obligation and Disclosure Requirement) regulation 2015 as amended.
- 2 The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provision of the Act.
- 3 12.50% debentures of Rs. 1000 crore have been recalled by the holders thereof and legal proceedings have been initiated in the DRT-I, Mumbai during May 2017 in respect of the claim. The Company is contesting the claim and is taking appropriate steps to defend the proceedings before the DRT -I, Mumbai. The matter is being heard by DRT from time to time. The company was unable to carry its main business activity of power generation due to higher gas prices rendering the operations unviable and the plant being un-operational through out the year.

Material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the company has taken certain steps interalia restructuring / settlement of subsidiary debts, settlement of loans of the Company etc will ensure continuous operations and the Company will be able to meet all its operational liabilities and financial liabilities. Therefore, the management has concluded to prepare financials results on a going concern basis.

- 4 The Company has issued corporate guarantees of Rs. 3758 crore (PY Rs. 4802 crore) to lenders of various subsidiaries of which Rs.1600 Cr have been invoked. However, on account of various developments at subsidiary level, such as restructuring of loans by the lenders of the subsidiaries, repayment of overdue liabilities by the subsidiary, settlement of liability under SARFAESI and IBC processes, and discharge of corporate guarantees by holding company of EPOL, the Company is of the view that possibility of an outflow of resources embodying economic benefits is remote.

5 Investments:

(i) Essar Power Gujarat Limited (EPGL) the subsidiary, is working with its lenders to restructure the debt at a sustainable level. Meanwhile, one of the lenders has filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016. EPGL management has had various discussions with that lender for withdrawal of the NCLT application and expects the same to be withdrawn. Last NCLT Hearing date was 27 July 2022. Next hearing date is awaited. EPGL has submitted a One Time Settlement (OTS) offer to its consortium of Lenders of Rs 1600 crores towards full and final settlement of entire Rupee Term Loans and working capital loans along with all interests, charges and penalties (if any). Out of Rs 1600 crores, 10% upfront amount constituting to Rs 160 crore has already been arranged and offered to lenders. EPGL is awaiting confirmation from Lenders that the OTS process is in progress and is awaiting suspension of NCLT proceedings from the Lenders side. During the previous year, the Company had decided to change its accounting policy for Investments from Amortised Cost Basis to Fair Value. For this, Fair Valuation of EPGL is conducted by Investment Valuer. During the previous year the Company had changed fair valuation of investment by Rs.321.48 Crore. Further during the year, As per Valuation Report, the Equity Value of EPGL by using the Discounted Cash flow (DCF) Method of Valuation as on March 31 2022 works out to Rs. 284 Cr. As per proposed restructuring, the Fair value of investment in EPGL is Rs. 210.16 Cr i.e. 74 % of EPGL equity value on diluted basis. In view of this, The Company has further changed fair valuation of investment by Rs.49.58 Crore.

(ii) Essar Power M.P. Ltd (EPMP) was admitted for CIRP under the Insolvency and Bankruptcy Code, 2016 by the NCLT on 29th September, 2020. Resolution plan by Adani Power was approved by NCLT on 01.11.2021. The documentation and handover of EPMP to Adani Power was closed in March, 2022. Pursuant to resolution proceedings all the corporate guarantees issued to the lenders of EPMP were assigned to Adani Power Limited. Subsequently these corporate guarantees were released by Adani Power Limited vide release deed dated 7th June 2022 in consideration of co-operation provided by the Company to Adani Power Limited. With the change of control to the successful Resolution Applicant, the investment in EPMP had been recategorized to Other Investment and 100% provision had been made for diminution in value of investments. The company did not get the fair valuation done since company does not expect to recover anything, fair value is considered as Nil. Accordingly the diminution in the value of investments is now being renamed as change in fair value of investments due to change in accounting policy.

During the year Entire investment in EPMP is Extinguished. For accounting purpose the company has reversed the provision for investment created in earlier year of Rs.2923.96 Crore and the company booked Loss on Extinguishment of Non Trade Long Term Investments of Rs.2923.96 Cr in EPMP.



ESSAR POWER LIMITED



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Notes

(iii) Power plants and substantial assets of Essar Power Orissa Limited and Bhandar Power Limited have been transferred by the lenders of these subsidiaries under the SARFAESI Act, 2002, in order to settle their outstanding dues. The Company has made 100% provision for diminution in value of investment. The company has not got the fair valuation done since company does not expect to recover anything, fair value is considered as Nil. Accordingly the diminution in the value of investments is now being renamed as change in fair value of investments due to change in accounting policy.

During the year entire beneficial interest held by the company in Essar power Orissa limited share capital has been transferred to Essar steel metal trading limited dated 03 March 2022. Thus The company do not have any control on Essar power orissa limited. All the operations and activities of EPORL are controlled by Essar steel Metal trading company. The company received full & final consideration of Rs. 0.01 Crore against all his investment in EPORL. In view of this, the company has reversed the provision for investment created in earlier year of Rs. 642.75 Crore and booked Loss of Rs.642.74 Crore.

During the year Entire stake held by the company in Bhandar power limited share capital has been transferred to Essar steel metal trading limited dated 28th December 2021. The company received full & final consideration of Rs. 10.28 Crore against all his investment in BPOL. In view of this, the company has reversed the provision for investment created in earlier year of Rs. 288.54 Crore and booked Loss of Rs.278.26 Crore.

(iv) Essar Power Hazira Limited and Essar Power Transmission Limited, both subsidiaries, have been fair valued by an independent valuer by DCF method of income approach. Fair valuation gains of Rs. 425 crore has been recognized in the Statement.

(v) Essar Power Jharkhand Limited has been admitted for liquidation under the IBC process on 3rd January, 2020, and all the assets of the subsidiary vest with the liquidator. The Company has made 100% provision has been made for diminution in value of investment. The company has not got the fair valuation done since company does not expect to recover anything, fair value is considered as Nil. Accordingly the diminution in the value of investments is now being renamed as change in fair value of investments due to change in accounting policy.

The Company has recognised guarantee expenses of Rs.815 Crores payable to the lenders of Essar Power Jharkhand Limited (subsidiary of the Company) (EPJHL). EPJHL had been referred to NCLT and a liquidation order was passed by the Hon'ble NCLT on 3rd January 2020. The Company, Essar Global Fund Limited (EGFL) and Essar Energy Limited (EEL) are the guarantors for the debt facilities of EPJHL. As per the settlement deed executed between the lenders of EPJHL and the guarantors, a one time settlement amount (OTS) of Rs.1215 Crores has been agreed towards settlement of entire dues of EPJHL and release of guarantees. OTS amount is payable by any of the guarantor. In view of same, EGFL has already paid the first & second instalment amounting to Rs.400 Crores. The Company has paid Rs. 30 Crores and balance amount of Rs.785 Crores is payable alongwith interest to the lenders of EPJHL. The guarantors have sought extension of time for payment of balance OTS amount..

The time provided for payment under OTS is lapsed and the company is in discussion with lenders for extension of time for payment.

6 Investment Held for sale :- Adani Transmission Limited (ATL) has signed definitive agreement with Essar power Ltd (EPOL) on 2 June 2022 for 100% stake in Interstate transmission project owned, developed, and operated by Essar power Transmission Ltd (EPTCL). The enterprise value for the transaction is INR 1913 Crore. The proposed transaction will be executed through transactions steps which shall be subject to necessary regulatory approval and other consents.

7 Exceptional gain of (Rs.268.97) crore includes Majorly :-

(i) Rs. 815 crore recognised as guarantee expenses for lenders of Essar Power Jharkhand Limited (subsidiary of the Company) (EPJHL) made in earlier quarter. The provision had been made pursuant to liquidation order passed by the Hon'ble NCLT against the said subsidiary on 3rd Jan 2020. The Company was a guarantor of EPJHL term loan facilities along with Essar Globe Capital Fund (EGFL) and Essar Energy Limited. During the previous year a settlement deed was signed with ICICI bank wherein an one time settlement amount (OTS) of Rs.1215 cr has been arrived for liabilities in respect of the EPJHL Guarantees. As per the settlement deed, the amount is payable by any of the guarantor. EGFL has paid the first & second instalment amounting to Rs.400 crore and upon paying the balance amount of Rs.815 cr, all the guarantees provided for EPJHL will be released. In view of the same, the company has recognised as liability of Rs.815 Cr towards Guarantee Expenses.

(ii) As per requirement of Ind AS, at the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there are any indications that the plant and machinery have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). The Group thereby has assessed the recoverable amounts and also obtained the assessment by independent technical experts. The assessment by technical expert is based on replacement value and present market scenario. The group companies have estimated the recoverable amount of Property, Plant and Equipment (PPE) and Capital Work in Progress (CWIP) to be lower than its corresponding carrying values and accordingly the Group has made a provision of Rs. 510.84 Cr (Previous Year: Rs. -94.46 Crores) on account of impairment of PPE and CWIP as on 31st March 2022.

(iii) As per recent order in respect of coal mines, During the year Rs.40.34 Cr received from Ministry of coal relating to chakla coal mines, Balance Estimated amount receivable would be around Rs.40 Crore from Ministry of coal. In view of above after keeping balance to the extent amount of Rs.40 Crore, the company has written off the balance of Rs.429.43 Crore (ICD Principal - Rs.275.93 & ICD Interest- Rs.153.50) towards ICD Given to Essar power Jharkhand Limited

(iv) During the year the company has written off Rs.6 Cr ICD receivable, Rs.1.96 Cr security deposit to Essar services Limited and Rs.0.04 Cr Advances to vendors as per management approval.

(v) One time settlement gain

(a) Axis Bank Limited has approved the One Time Settlement (OTS) of its dues under NCDs facilities and certain exposures under Bank Guarantees. As per the OTS terms, the Company has paid part OTS amount till March 2022. The Company has paid the balance OTS amount alongwith interest till May 2022 on 31st May 2022 towards the agreed OTS amount for full and final settlement of NCDs subscribed by Axis Bank & certain exposure under Bank Guarantees. Accordingly, an OTS gain of Rs. 340.79 Crores has been considered in the books of accounts.



ESSAR POWER LIMITED



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Notes

(vi) Rs.102.23 Cr reinstate of the liability Brahmani Thermal Power Limited which were written back in earlier years as vendor was continuous demanding of said amount.

(vii) Rs (19.84 Cr) gain on account of reversal of impairment of property plant & equipment. Rs. (469.81 Cr) gain on account of reversal of provisions of ICD Given created in earlier years

(viii) (Rs.776.38 Cr) Interest on optionally convertible redeemable preference shares reversed as per confirmation received from respective companies that no amount is due or outstanding towards redemption premium and accumulated dividend for the optionally convertible redeemable preference shares converted into equity shares.

(ix) One time settlement gain

(a) Axis Bank Limited has approved the One Time Settlement (OTS) of its dues under NCDs facilities and certain exposures under Bank Guarantees. As per the OTS terms, the Company has paid part OTS amount till March 2022. The Company has paid the balance OTS amount alongwith interest till May 2022 on 31st May 2022 towards the agreed OTS amount for full and final settlement of NCDs subscribed by Axis Bank & certain exposure under Bank Guarantees. Accordingly, an OTS gain of Rs. 340.79 Crores has been considered in the books of accounts.

b) Yes Bank has approved the One Time Settlement (OTS) of its dues. As per the OTS terms, the Company has paid part OTS amount till March 2022. The Company has paid the balance OTS amount alongwith interest till June 2022 on 30th June 2022 towards the agreed OTS amount for full and final settlement of term loan of Yes Bank and No Dues Certificate have been received dated July 25,2022. Accordingly, an OTS gain of Rs. 350.38 Crores has been considered in the books of accounts.

(c) Punjab National Bank has approved the One Time Settlement (OTS) of its dues under NCDs facilities. As per the OTS terms, the Company has paid the approved OTS amount of towards full and final settlement. The Company has paid the agreed OTS amount by 31st May 2022 for full and final settlement of NCDs subscribed by PNB and No Dues Certificate have been received dated June 16 ,2022. Accordingly, an OTS gain of Rs. 6.31 Crores has been considered in the books of accounts.

- 8 During the year, the company entered a term loan agreement with Logan Advisors Limited for payment of towards settlement obligations of its existing debt. The company received Loan of Rs.185.23 Cr during the current year. The Loan has been secured / to be secured subject to existing charges on its following assets: -
- movable plant & machinery
 - current assets, receivables & book debts, bank accounts, inventory
 - pledge on 21,25,00,000 equity share capital of EPOL held by ESMTL
 - all amount owing to, and received and/ or receivable by the company and / or any person (s) on its behalf in relation to sale, transfer, disposition of shares and / or invocation of shares (both equity & preference shares) held by the company in Essar Power Hazira Limited, both present and future.
- 9 (a) The Company has shown receivables of Rs. 1,066.86 crore (including delay payment charges of Rs. 582.25 crore) from GUVNL. There are two matters presently under litigation with GUVNL, as explained below, broadly termed as wrongful deduction and alleged diversion. Based on the favourable orders in these matters the management believes that the claims by GUVNL would not be tenable and hence is confident of realizing the total amount of Rs 1,066.86 crores (including delayed payment charges of 582.25 Crores).

Wrongful Deduction: GUVNL has deducted a large sum of principal amount aggregating to Rs.234 Crores from the monthly invoices of Essar Power Limited over a period of 2003 to 2013 for various reasons. GERC has, vide its Orders dated 22nd October 2014 and 21st November 2014, approved EPOL's claim of Rs.234 Crores towards principal amount along with interest of Rs.447 Crores from 2004 to 2014. Further interest shall be payable till the date of actual payment. GUVNL has filed an appeal before APTEL, while the Company has filed an affidavit stating that the order of GERC is correct. The Company has filed written submissions before APTEL with claim of Rs. 1171 crore

GUVNL has filed an Appeal (No.2 of 2015) in APTEL against the above order of GERC. APTEL has, vide its Order dated 7th April 2022 dismissed the GUVNL appeal and directed GERC to compute the amounts wrongfully withheld by GUVNL. The Company has filed its claim of ~Rs.1556 Crores at GERC as per directives of APTEL.

GUVNL has filed a SLP in Hon'ble Supreme Court appealing against the APTEL Order dated 7th April 2022.

Based on the favourable orders by GERC and APTEL, the management believes that GUVNL appeal would not be tenable and the Company is confident of realizing the claim amount.

Wrongful Allocation: The Company had signed separate Power Purchase Agreement with Gujarat Urja Vikas Nigam Limited (GUVNL) and Essar Steel India Limited (now known as ArcelorMittal Nippon Steel India Limited) (ESIL) for 300 MW and 215 MW capacity respectively. In the matter, Hon'ble Supreme Court, vide its order dated 9th August 2016, has set aside the APTEL order and restore the order dated 18th February 2009 of GERC. The Company had filed claim of Rs.437 Crores receivable from GUVNL while GUVNL has filed a revised claim of Rs. 789 Crores as receivable from the Company. GERC analysed the calculations and vide its order dated 27th December 2019 directed the Company to pay Rs.201.18 Crores (including interest amount of Rs.137.14 Crores). In view of some of the apparent errors in the order like arithmetic calculation, calculations on half-hourly basis instead of hourly basis, delayed payment charges etc, a review petition has been filed by the Company in GERC praying for rectification in the order and stay on its impugned order dated 27th December 2019. The Company has also been filed an appeal in APTEL against the impugned order of GERC. GUVNL has also filed execution petition in GERC and an appeal in APTEL in the matter. Next date of hearing is not scheduled in the petition and appeals.



ESSAR POWER LIMITED



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India
CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in| Website: www.essar.com

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Notes

(b) Trade receivables of EPHL amounting to Rs-52.14 Crores pertaining to the period from March 24, 2020 to May 9, 2020, are disputed on account of invocation of force majeure clause of PPA by the debtor due to lockdown restrictions imposed by the Government of India during the outbreak of COVID 19 pandemic. However, the said amount is recoverable as per the legal opinion obtained by the management of the subsidiary and ongoing discussions with the debtor.

10 During the financial year 20-21, the Company had changed its accounting policy for Investments in Equity and Compulsory convertible preference shares in its Subsidiaries from Cost to Fair Value in accordance with IND-AS-109. The management believes that the change results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows. Since the data have not been collected in the prior period(s) in a way that allows retrospective application of the change in accounting policy, the Company has applied the change in accounting policy to the carrying amounts of assets and liabilities as at 31st March 2021.

During the year also The Company has obtained valuation report from a valuation expert as at 31 March 2022 for subsidiaries and The company has valued Investments in Equity and Compulsory convertible preference shares in its Subsidiaries at Fair Value in accordance with IND-AS-109.

11 The company was unable to carry its main business activity of power generation due to higher gas prices rendering the operations unviable and the plant being un-operational throughout the year, , During the year and the quarter ended on 31st March 2022,, the Company has not earned any financial income from the investment made in the SPVs involved in the power business. However, the financial assets of the Company are more than 50% of its total assets. It is to be noted that to classify as NBFC, both the conditions related to financial asset and financial income should be met. Since the company has never carried on the business of NBFC, it applied for and is awaiting the RBI exemption from registration as a NBFC for FY 2016-17, FY 2017-18 , FY 2018-19 , FY 2019-20 , FY 2020-21 & FY 2021-22. The company had earlier received similar exemption from RBI for the FY 2015-16.

12 During the year, the Company could not service its debentures. LIC being major debenture holder has given in-principle approval to One Time Settlement (OTS) and final approval is awaited from them. Other debenture holders have agreed to OTS and the Company has made part payment to them. The Company shall be making balance payment under OTS in due course. Apart from aforesaid dues to debenture holders, the Company has settled dues of some of the debentures holders as per mutually agreed terms.

13 Covid-19 has impacted businesses globally and in India. The Company has considered the possible effect that may result from the pandemic relating to Covid-19 on the carrying amounts of receivable and other assets. The management believes that there is not much of impact likely on its operations and results due to this pandemic. The Company expects to fully recover the carrying amount of these assets. However, the management will continue to closely monitor the performance of the Company. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these financial statements

14 Formulae for computation of ratios are as follows:

(a) Debt Equity ratio: Debt represent borrowing, Equity includes share capital and other Equity excluding revaluation reserve.

(b) Debt service coverage ratio: Profit / (loss) before Interest and tax / Interest expenses excluding amortization of financing charges + principal repayment of borrowing made during the period / year.

(c) Interest service coverage ratio: Profit / (loss) before Interest and tax / Interest expenses excluding amortization of financing charges.

(d) Net worth: Total equity excluding other comprehensive income, Revaluation reserve and reserve created out of amalgamation.

15 Figures for the previous periods/ years have been regrouped/reclassified, wherever necessary to correspond with the current period / years classification / disclosure.

16 Paid up equity share capital includes Equity component of convertible preference shares of Rs. 2796.55 Crore.

17 The above financial results for the three month period ended 31st March 2022 do not include corresponding figures for quarters ending on 31st March, 2021 as relaxations for these columns have been granted by SEBI vide its circular dated 5th October, 2021 for entities that do not have these results.

Place :- Mumbai

Date :- 13th August 2022

For and on behalf of the Board of Directors

Vishnu Dutt Mutha
Director
DIN:08366070



Essar Power Limited

Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India

CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in

Corporate Office: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India



Rs. in crores

Consolidated Statement on Impact of Audit Qualifications for the Year ended March 31, 2022 [Regulation 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications:- impact of qualifications)
	1.	Turnover / Total income	493.74	493.74
	2.	Total Expenditure	(1,843.70)	(2,184.48)
	3.	Net Profit/(Loss)	(1,349.96)	(1,690.74)
	4.	Earnings Per Share	(1.03)	(1.31)
	5.	Total Assets	7,115.65	7,115.65
	6.	Total Liabilities	(7,115.65)	(7,456.44)
	7.	Net Worth	(7,959.76)	(8,300.55)
II.	Audit Qualification (each audit qualification separately):			
	Details of Audit Qualification:			
	<p>1. Going Concern: Material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern however the Statement has been prepared as a going concern. The impact of the same on the Consolidated financial results of the Group is unascertainable.</p> <p>2. Corporate guarantees of Rs. 4920.08 crore Issued by the Company were invoked by the lenders of Essar Power Jharkhand Limited, an erstwhile subsidiary, which were settled for Rs. 1215 crore. While the Group has paid Rs. 430 crore against the settlement amount and a provision for the balance Rs. 785 crore has been made by the Company, the due date for payment of the settlement amount has lapsed resulting in cessation of the settlement deed and reinstatement of the liability to the original amount. The Company is in discussions with the lenders for extension of the repayment schedule and has accordingly not taken any further provisions. Since the matter is in discussion stage with the lenders, the impact on the consolidated financial statements is unascertainable .</p> <p>3. The Company has recognized a one-time gain of Rs. 340.79 crore arising from settlement of outstanding dues towards NCDs and corporate guarantees issued to Axis Bank Limited. The settlement amount as per old OTS letters was partly paid before March 2022 and balance by May 2022. While revalidated OTS letters and no dues certificate is pending from the bank, the Company has recognized the gains in FY 2021-22 following the payments made. Had the gains been taken after receipt of these documents, the loss for the year would have been higher by Rs. 340.79 crore and the net worth could have been lower by the same amount.</p>			
III.	Signatories:			
	CEO :- Kush			
	CFO :- Kapil Singla			
	Audit Committee Chairman :- Birendra Mohapatra			
	Statutory Auditor :- Rishabh Chaturvedi			
	Place: Mumbai			
	Date :- 13th August 2022			



Essar Power Limited



Regd Office: 27th Km, Surat Hazira Road, Hazira, Dist Surat, Gujarat 394270, India

CIN: U40100GJ1991PLC064824

Tel: +91 261 668 2055/2400| Fax:+91 261 668 2747| E-mail: powersec@essarpower.co.in

Corporate Office:Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai 400 034, Maharashtra, India

Rs. in Crore

Sr. No.	Particulars	Year to Date Ended 31.03.2022 (Audited)	Year Ended 31.03.2021 (Audited)
1	Debenture Redemption Reserve (Amount in crore)	49.64	49.65
2	Net Worth Amount in Crore (Note 1)	(7,959.76)	(6,819.35)
3	Net Profit After Tax Amount in Crore	(1,349.96)	8,565.03
4	Earnings Per Share (Face value of 4/- per share)	(1.03)	(0.31)
5	Debt-Equity ratio (Note 2)	(2.43)	(4.41)
6	Debt Service Coverage Ratio (Note 3)	0.00	(0.18)
7	Interest Service Coverage Ratio (Note 4)	0.03	(0.01)
8	Current Ratio (Note 5)	0.13	0.21
9	Long Term Debt to Working Capital (Note 6)	(2.38)	(3.37)
10	Bad Debts to Account Receivable Ratio (Note 7)	NA	NA
11	Current Liability Ratio (Note 8)	1.81	1.29
12	Total Debts to Total Assets (Note 9)	0.03	1.29
13	Debtors Turnover (Note 10)	0.37	0.00
14	Inventory Turnover (Note 11)	5.08	0.51
15	Net Profit Margin (Note 12)	(2.73)	3.24

Disclosure under as per Clause 54(2) of SEBI (LODR) Regulations, 2015

<p>The Company shall maintain 100% asset cover or higher asset cover as per the terms of offer document/Information Memorandum and/or Debenture Trust Deed sufficient to discharge the principal amount at all times for the non-convertible debt securities issued. The extent and nature of security created and maintained with respect to its secured listed non-convertible debt securities</p>	<ul style="list-style-type: none"> - First charge on fixed assets of the Company - Pledge on shares of the Company - Deed of Hypothecation on residual cash flow available on sale of investments in subsidiary
--	--

Note

1. Net worth = Equity Share Capital + other Equity -- Deferred revenue expenditure –Revaluation Reserve.
2. Debt Equity ratio = (Non-convertible debentures + Subordinated Liabilities + Bank borrowings) / (Equity share Capital +Other Equity).
3. Debt service coverage ratio: Profit / (loss) before Interest and tax / Interest expenses excluding amortization of financing charges + principal repayment of borrowing made during the period / year.
4. Interest service coverage ratio: Profit / (loss) before Interest and tax / Interest expenses excluding amortization of financing charges
5. Current Ratio = Current assets/current liabilities. (Based on the maturity of assets/liabilities).
6. Long term debt to working capital = (Non-convertible debentures + Subordinated Liabilities + Term Loan from Bank)/ (Current assets - current liabilities).
7. Bad debts to Account receivable ratio = Bad debts / Gross AUM.
8. Current liability ratio = current liabilities/ Total liabilities.
9. Total debts to total assets = (Non-convertible debentures + Subordinated Liabilities +Bank borrowings)/ total assets.
10. Debtor Turnover ratio = Revenue from opeations/ Debtors
11. Inventory Turnover ratio = Revenue from opeations/ Inventory
12. Net profit margin = Profit after tax/Total income.

Place :- Mumbai

Date :- 13th August 2022

For and on behalf of the Board of Directors


Vishnu Dutt Mutha
Director
DIN:08366070

