Sterlite Power

Empowering Humanity

Sterlite Power Transmission Limited
Annual Report 2022-23

Inside this Report

EXCHANGE RATE

As of March 2023
1 US$: ₹ 82.18
1 BRL : ₹ 16.23

CAUTIONARY STATEMENT

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

Empowering Humanity by Addressing the Toughest Challenges of Energy Delivery

Energy transition is a critical driver to combat climate change impact. India remains among the world's largest producers and consumers of energy in the world. With the country accelerating towards Net Zero by 2070 and with an ambitious target of 500 GW of installed renewable energy by 2030, power transmission will be a key catalyst to connect renewable generation centres to the national grid.

Robust transmission is critical to ensure power delivery from remote areas with rich wind and solar potential to power-hungry population centres. There is a urgent need for reliable financing to stream into the sector.

In many parts of the world, the fight against climate change is being incentivised for organisations to take up decarbonisation agendas. Any sustainable solution to reversing climate change will have to involve massive efforts towards decarbonisation and a shift to clean and green power. With the emergence of renewable energy as one of the key contributors to India's overall energy mix, one of the challenges that the sector is now facing is that huge generation capacities are being added every year, much faster than evacuation systems can be built. As the efforts to meet the long-term renewable energy target pick up pace, it is important to expedite the construction of these transmission systems to ensure the timely evacuation of renewable energy supply.

The strong appetite shown by investors for interstate transmission system transmission assets should reassure states that transmission network development could be done using private investments. The government should encourage large-scale public-private partnership programmes in power transmission to ensure that national commitments are met without relying on states' balance sheets for the same. To attain its true potential in the next decade, the power sector will have to move towards flexible transmission network planning. The networks will have to be planned for N-1-1 and where appropriate, N-2 contingencies, for a truly robust transmission grid.

Sterlite Power continues to be guided by its core purpose of empowering humanity by addressing the toughest challenges of energy delivery.

Sterlite Power at a Glance

Sterlite Power Transmission Limited (Sterlite Power) is a leading global developer of power transmission infrastructure with projects of 15,000 circuit km (ckm) and ~ 28,322 mega-volt ampere (MVA) in India and Brazil.

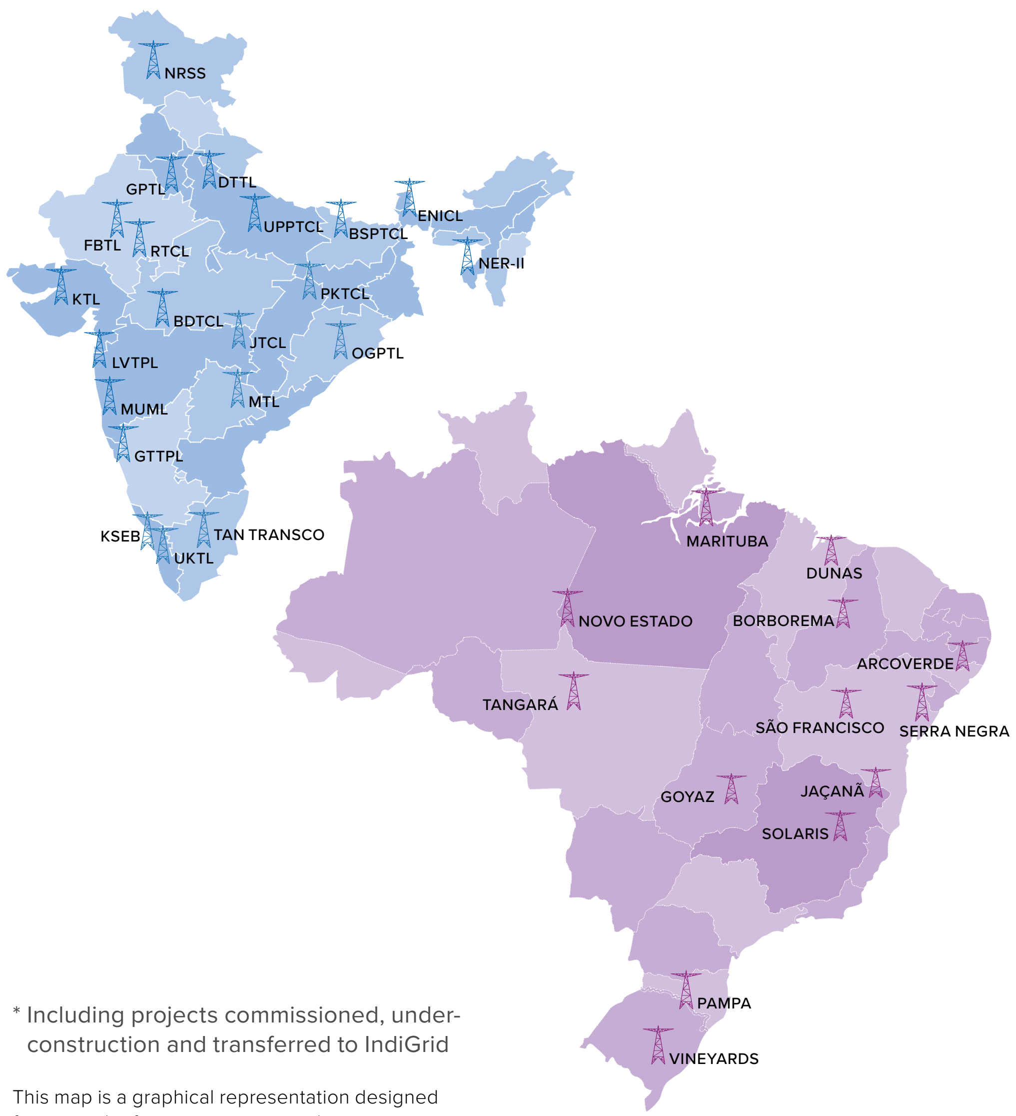
With an industry-leading portfolio of power conductors, extra-high voltage (EHV) cables and optical ground wire (OPGW), Sterlite Power offers solutions for upgrading, uprating, and strengthening existing networks, and is the leading manufacturer of bare overhead conductors, exporting to over 60 countries. The Company has set new benchmarks in the industry with the use of cutting-edge technologies and innovative financing.

Sterlite Power is also the sponsor of IndiGrid, India's first power sector Infrastructure Investment Trust (InvIT), listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Sterlite Power has been recognised with prestigious global awards from S&P Global Platts and International Project Management Association (IPMA).

Asset Portfolio across India and Brazil

₹ 41,748.89* crores (US$ 5.08 billion)

CAPEX



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

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

Business Divisions

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

Global Infrastructure

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

MSI and Products Business

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

Convergence

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

Key Performance Indicators

Total Income

(₹ in crores)

FY23	**6,452**
FY22	5,995
FY21	3,817
FY20	5,158
FY19	3,571

EBITDA

(₹ in crores)

FY23	**1,150**
FY22	1,354
FY21	1,793
FY20	2,406
FY19	450

PAT

(₹ in crores)

FY23	**(33)**
FY22	440
FY21	870
FY20	942
FY19	(524)

Circuit km

(Cumulative)

FY23	**15,154**
FY22	13,945
FY21	13,662
FY20	13,700
FY19	5,221

Key Milestones

Sowing Seeds

2006-2009

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

Strengthening Roots

2010-2013

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

Nurturing Growth

2014-2015

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

Spreading Branches

2016-2017

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

Expanding with Confidence

2018-2019

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

Continuing with Resilience

2020-2021

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

Embracing New Frontiers

2022-23

- Commissioned 1st Green Energy Corridor Project LVTPL and acquired Sterlite Power's 2nd GEC Project in Rajasthan-FBTL
- Certified as a Great Place to Work second year in a row in 2022
- Won the Power Transmission Company of the Year 2023 recognition from The Economic Times.
- Deployed heli-ops in MUML Package C and Package D for expediting material shifting and logistics
- Introduced two new solution innovations – ELECRAMA 2022. The 96 Fibre OPGW and ACCC ULS Brahmaputra High Performance Conductor
- Commissioned 400 kV Banaskantha, Kansari and Vadavi Transmission lines in Gujarat, as part of Mumbai Urja Marg Transmission Limited - Package-A
- Successfully commissioned DT Line of the Goa Tamnar Transmission Project Limited (GTTPL)
- Acquired the Kishtwar Transmission project through a Special Purpose Vehicle from PFC Consulting Limited
- Completed mid-river piling as part of the Nangal-Bibra project
- Installed GAP conductor at the 132 kV Dimapur to Imphal 166 ckm transmission line
- Recertification of ISO 9001:2015 (Quality Management System), 14001:2015 (Environmental Management System) and 45001:2018 (Occupational Health and Safety Management System)
- MSI business achieved 11.5 million safe man hours till Dec 2022
- Acquired 2 new projects, Tangara and Serra Negra in Brazil

Chairman's Message

"We have made a significant step toward accelerating India's transition to a greener and more resilient economy by successfully commissioning of the largest green energy corridor. This serves as evidence of our unwavering dedication to advancing India's sustainable future in the power sector."

Dear Shareholders

I extend my heartfelt gratitude to each one of you for your continuous support and belief in our journey. Together, we will continue to light up lives, power progress, and contribute to a more sustainable and energy-efficient world.

In a rapidly changing world, the power sector continues to be at the forefront of innovation, adaptation, and sustainability. It is with immense pride that I present to you our Annual Report, a testimony to our steadfast journey towards excellence, sustainability, and progress in the landscape of the world's fastest-growing economy. The power sector stands as a vital cornerstone, contributing significantly to India's dynamic growth story, fostering industrialisation, enhancing urbanisation, and improving the quality of life for millions as the nation surges ahead.

Sustainability

At the heart of our Company's ethos lies a profound commitment to advancing the principles of sustainability. Our dedication to realising the United Nations' Sustainable Development Goals is a driving force that shapes our every endeavour. We take immense pride in the alignment between these global goals and our business operations. With each step we take towards innovation, growth, and progress, we ensure that the thread of sustainability is intricately woven into the fabric of our decisions. This holistic approach not only empowers our business but also contributes meaningfully to creating a more equitable, resilient, and environmentally conscious world. As we continue this transformative journey, we remain resolute in our pursuit of harmonising business success with the greater good of humanity and our planet.

India's ambitious plans for renewable energy further underscore the power sector's significance. The transition towards cleaner and greener sources of power not only aligns with global environmental commitments but also positions Sterlite as a leader in sustainable development.

We have made a significant step towards accelerating India's transition to a greener and more resilient economy by successfully commissioning of the largest green energy corridor in Gujarat called Lakadia-Vadodara Transmission Project. This milestone not only underscores our dedication to technological innovation and operational excellence but also serves as evidence of our unwavering dedication to advancing India's sustainable future in the power sector.

Our dedication to providing reliable and sustainable power solutions has garnered recognition, as evidenced by the awards and accolades we have received. From being named "Power Transmission Company of the Year" at prestigious summits to achieving the "Great Place to Work" certification, these acknowledgements are a testament to our collective efforts and vision.

Powering the Future

As we chart our course forward, the acquisition of new projects, Tangara and Serra Negra, in Brazil underlines our commitment to global excellence. Our journey remains guided by a shared commitment to sustainable power transmission, innovation, and creating a future where every step reflects our dedication to progress.

We have introduced two new innovative solutions– 96 Fibre OPGW and ACCC ULS Brahmaputra High Performance Conductor to deliver reliable, secure, and highly efficient power transmission solutions. These solutions will enable increased digitisation of the transmission sector while reducing transmission losses.

These innovations exemplify our dedication to shaping a digitally empowered and resilient energy landscape, reducing losses, and advancing the transmission sector into a new era of progress.

Conclusion

In conclusion, as we reflect on the milestones and awards of the past year, it is essential to remember that every success story begins with a vision, fuelled by dedication, innovation, and resilience. The deployment of heli-ops for material shifting, the introduction of cutting-edge solutions like the 96 Fibre OPGW and ACCC ULS Brahmaputra High Performance Conductor, and the successful commissioning of transmission lines stand as emblems of our technological prowess.

The power sector plays a pivotal role in shaping the progress of nations, driving economic development, and enhancing the quality of life for millions. As shareholders, your unwavering support and collaboration have been instrumental in our achievements. Together, we have embraced change, harnessed technological advancements, and risen to the challenges posed by an ever-changing world.

In essence, our role in empowering lives goes beyond wires and infrastructure. It embodies a commitment to enhancing the lives of people, fostering economic growth, and safeguarding the environment. As a catalyst for change, Sterlite Power stands as a living proof of the transformative power of the energy sector, leaving a lasting impact on generations to come.

Thank you for your trust and belief in our mission.

Your Sincerely,

PRAVIN AGARWAL
Chairman

Managing Director's Message

"As India embarks upon a crucial phase of sustainable growth and development or what we call the "Amrit Kaal", its energy demand is set to outpace its domestic supply. India is expected to be one of the largest contributor to global energy demand growth with a share of 30% till 2035."

Dear Shareholders

We firmly believe that electricity access transforms societies and delivers long-lasting social impact. This belief has shaped our journey right from inception and today, we are a leading global player in power transmission infrastructure.

Across the world, climate change is seen as the greatest threat facing humanity. People are concerned about impact of climate change and making a conscious shift from fossil fuel to clean energy. The size and scale of this shift is unprecedented and the opportunity it creates for energy logistics is equally large.

Notably, over the last decade, India has risen as a Global Leader in Climate Action and firmly entrenched itself as a major player on the global stage. As India embarks upon a crucial phase of sustainable growth and development or what we call the "Amrit Kaal", its energy demand is set to outpace its domestic supply. India is expected to be one of the largest contributor to global energy demand growth with a share of 30% till 2035.

Amidst this dynamic energy landscape, I am pleased to present the FY 2022-23 Annual Report, which reflects a year of exceptional accomplishments and significant milestones. With India moving towards uninterrupted access to energy to all consumers while meeting a large portion of its power requirement through clean energy, and its net zero commitments, all at the same time, your Company is playing a pivotal role in solving the toughest challenges of clean energy delivery.

Scripting a Greener Tomorrow

In keeping with the nation's commitment to combat climate change, your Company made a significant contribution by successfully commissioning one of the largest green energy corridor projects in Gujarat. Through this mega project, known as Lakadia Vadodara Transmission Project, the country has unlocked 5,000 MW of green power for the nation that will accelerate India's renewable energy vision of 500 GW by 2030. This project forms a critical part of the world's largest 30,000 MW hybrid renewable energy park coming up in Kutch in Gujarat, envisioned by our Hon'ble Prime Minister of India, Shri Narendra Modi.

Your Company's effort of greening the grid continues with our recent green energy project win in Rajasthan. We secured the 'Part G' Phase III Rajasthan Transmission project, that will connect the renewable Energy zones of Fatehgarh with Beawar, carrying a massive 20 GW of green energy into the heartland of the country.

In Brazil, we won two important lots - 5 and 9, with a total estimated capex of ₹ 1,800 crores, at the auctions held last year. We also commissioned our largest project – Marituba, which transports large volume of power across Amazon Forest. We also energised three more projects that connect renewable energy to the Brazilian national grid. These critical moves are in perfect harmony with the Company's vision to secure a position of global leadership within the power transmission sector. Today, the Global Infrastructure business enjoys a solid portfolio of 31 assets with cumulative capex of ~US$ 5 billion in India and Brazil.

In the Solutions Business, your Company continues to partner with utilities in augmenting existing power infrastructure and decongest the critical parts of their network. With increasing urbanisation, we see high demand for the Master System Integration (MSI) business to upgrade and uprate aging infrastructure across various states. Further, the global focus on decarbonisation is increasing demand for our manufactured products and services, such as conductors, cables, and OPGW and the Company is building a large order book for exports to developed markets. We ended the year with an open order book of ₹ 5,200 crores.

The Convergence business also continues to grow stronger on the back of unprecedented growth in demand for data. This business is the leading best-in-class dark fibre solution providers in the country and has all top Telecom and ISPs as its customers today.

Leading with Innovation & Sustainability

Sterlite Power continues to lead the way with cutting edge innovation and technologies. We recently unveiled ground-breaking solutions for power transmission projects at ELECRAMA 2023. Developed for the first time in India, both the products - 96 Fibre OPGW and ACCC ULS Brahmaputra High-Performance Conductor have been specifically developed to enable electricity access and greater digitisation of the power sector.

Your Company has a vision of 'Zero Accidents', and we consistently strive to achieve high QHSE Standards considering them as non-negotiable and integral part of our all-business operations. Across the businesses, we have achieved more than 30 million safe work hours with total recordable injury rate sustained below 2.0. This underscores your Company's dedication to safety in every aspect, reinforcing its promise to prioritise well-being and operational integrity.

I am also proud to share that Sterlite Power's commitment to fostering an exceptional work environment was validated by its second consecutive Great Place to Work® Certification. Considered the 'Gold Standard' in recognising Great Workplace Cultures, this certification underscores the Company's dedication to its workforce. Your Company was also recognised as the 'Power Transmission Company of the Year 2023' at The Economic Times Energy Leadership Summit, evidence of its pole position in the industry.

A Year of Remarkable Results and Promise of a Prosperous Tomorrow

With continued focus on garnering new opportunities and operational efficiencies, Sterlite Power is happy to report remarkable progress and achievements in FY23. We have closed FY22 with 3.3% revenue growth at ₹ 3,923 crores, EBITDA of ₹ 558 crores and strong growth in profitability in India operations. The results demonstrate our strong fundamentals and underline our commitment to be a key player in building the nation's energy landscape.

As we look into the future, we are excited about the plethora of opportunities that this sector presents. Globally, the success of the energy transition story hinges on the presence of a robust transmission network. India is already a step ahead and the government's recently announced Transmission roadmap involving an investment outlay of ₹ 2.44 trillion by 2030. The momentum is already visible, the 14th National Committee of Transmission approved ₹ 75,408 crores worth of power transmission projects and these are likely to be awarded this year through the bidding route, making it the largest tranche under tariff-based competitive bidding (TBCB). With our solid track record of executing complex projects, technical know-how, and strong capable teams, we are well positioned to capture a sizeable chunk of this opportunity.

Once again, I extend my heartfelt gratitude to our dedicated team members and stakeholders for their steadfast support. As we reflect on the accomplishments and aspirations captured within this annual report, I am filled with pride and optimism. We have made significant strides in shaping the future of energy delivery, and I am confident that our collective efforts will continue to light the way for a brighter, more connected, and empowered world.

Your Sincerely,

PRATIK PRAVIN AGARWAL
Managing Director

Board of Directors

1
MR. PRAVIN AGARWAL
Chairman

2
MR. PRATIK PRAVIN AGARWAL
Managing Director

3
MR. ALLAMPALLAM RAMAKRISHNAN NARAYANASWAMY
Non-Executive and Independent Director

4
MR. ANOOP SETH
Non-Executive and Independent Director

5
MR. MANISH AGARWAL
Whole Time Director & CEO
(Global Products & Services)

1

MR. PRAVIN AGARWAL

Chairman

Mr. Pravin Agarwal is the Chairman and Non-executive Director of our Company. He holds a Bachelor's degree in Commerce from Patna University. He has been associated with the Sterlite Power Group since its inception and has significant experience in general management and commercial affairs. Previously, he has held directorship positions in Sterlite Technologies Limited, East-North Interconnection Company Limited and Speed on Network Limited and has an overall experience of 25 years as a Director in overseeing and handling management of companies. He has been a Director on our Board since May 5, 2015.

2

MR. PRATIK PRAVIN AGARWAL

Managing Director

Mr. Pratik Agarwal is the Managing Director of our Company. He holds a Master's in Business Administration from the London Business School, University of London and a Bachelor's of Science degree from the Wharton School at the University of Pennsylvania.

He has an overall experience of 11 years as a Director in overseeing and handling management of companies. Previously, he has held directorship positions in Sterlite Technologies Limited, Sterlite Ports Limited, Vizag General Cargo Berth Limited, and Speed on Network Limited. Pratik received the Economic Times CEO of the Year Award at the Energy Leadership Summit 2022. In 2018, he was awarded the Economic Times 40 under 40 Award.

He is a member of the National Committee on Power constituted by the Confederation of Indian Industries (the "CII") for Fiscal 2021, the co-chairman of the Infrastructure and Real Estate Committee constituted by the IMC Chamber of Commerce. He was also the Chairman of the Core Group on Transmission constituted by the CII for Fiscal 2019 and a part of the Task Force on Power Transmission constituted by the Federation of Indian Chambers of Commerce and Industry (the "FICCI") in 2013. He has been a Director on our Board since June 1, 2016.

3

MR. ALLAMPALLAM RAMAKRISHNAN NARAYANASWAMY

Non-Executive and Independent Director

Mr. Alampallam Ramakrishnan Narayanaswamy is an Independent Director of our Company. He holds a Bachelor's degree in Commerce from the University of Mumbai and is also a fellow member of the Institute of Chartered Accountants of India. He has an overall experience of 27 years as a Director in overseeing and handling management of companies. Previously, he has held directorship positions in Hindustan Zinc Limited, Sterlite Technologies Limited, and MALCO Energy Limited. He has been a Director on our Board since July 22, 2019.

4

MR. ANOOP SETH

Non-Executive and Independent Director

Mr. Anoop Seth is an MMS from BITS Pilani with a major in Finance and Executive International Management Programme from INSEAD, France. Mr. Seth, has an illustrious career spanning 36 years, in financial services and several infrastructure sectors. He has held leadership positions in companies such as AMP Capital, Bank of America, Bechtel Corp, IDFC, Reliance Industries, Standard Chartered Bank, and IL&FS Energy. With an extensive experience, he advices the Board and leadership team on matters related to strategy and growth.

5

MR. MANISH AGARWAL

Whole Time Director and CEO (Global Products and Services)

Mr. Manish Agarwal is a power infrastructure specialist with a career spanning 26 years. A veteran in Power and Telecom, he is a leading voice shaping policy priorities in the infrastructure & manufacturing sector. He is a passionate proponent of disruptive technologies and played a pivotal role in their adoption in transmission sector. He is also a well-regarded champion of key industry matters including concession/Public-Private Partnership, uprate/upgrades of infrastructure, fiberisation of underground and overhead power delivery systems. He also invests his time in forging technology alliances, global partnerships, and commercialisation of new advanced technologies and solutions.

As CEO (Global Products and services) & Group Director, (Corporate Affairs, Business Acquisition and Regulatory), he steers the global products, services, and convergence businesses. He is the co-chair for Power Council at Associated Chambers of Commerce and Industry of India (ASSOCHAM) and Vice President of CIGRE India (International Council on Large Electric Systems), a global community for the collaborative development of power system expertise. He is member of Power Committee of FICCI.

He is a Harvard alumnus and has also pursued Leadership Programmes from Indian Institute of Management, Ahmedabad and Indian School of Business, Hyderabad. He holds a degree in Engineering and an MBA from Federation University, Australia.

Management Team

MR. PRATIK PRAVIN AGARWAL
Managing Director

MR. MANISH AGARWAL
Whole Time Director & CEO
(Global Products & Services)

MR. ARUN SHARMA
CEO, India
Transmission (Interim)

MR. AKSHAY HIRANANDANI
Executive Director, Corporate Finance

MR. AMITABH PRASAD
Country Manager, Brazil

MS. NEETI WAHI
Chief Information Officer

MR. ASHOK GANESAN
Company Secretary

MS. SHRUTI JAIN
Chief Legal Officer

Awards and Accolades

Power Transmission Company of the Year 2023

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

Great Place to Work Certification of 2022

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

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

IDC Innovation Awards 2021 for Data Intelligence

Energy & Environment Foundation Global Sustainability Award 2021 – Gold Award

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

Bronze Winner in the IPMA project Excellence Award 2021 for the Mega-sized Project Category

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

'HR Excellence Awards' at the Golden Peacock Awards 2020

Construction Project of the Year 2019

Technology Leadership

An Evolving World needs Revolutionary Solutions

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

Aerial Technology for Accelerated Project Execution

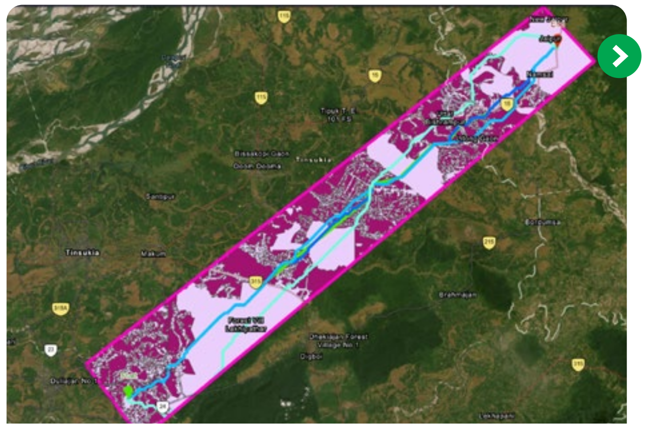
- Planning and automated inspection services by Unmanned Aerial Vehicles (UAVs)
- First use of helicopter stringing in India
- Heli-crane based tower erections in tough terrains
- Investor in global tech start-up: Sharper Shape

Big Data Algorithms/Predictive Simulations

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

Robotics for Safe Stringing and Technology Intensive Products

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



Digitalisation Operational Efficiency

- Digital prototypes for higher design quality
- Quality Health Safety Environment (QHSE) effectiveness through e-audits and remote inspections
- Magellan is an in-house developed platform leveraging the ArcGIS Platform to automate the entire Power Transmission process from bidding stage through to project execution stage. Magellan has 3 parts - Route Optimisation, Tower Library Centralisation and BoQ generation

Smart Projects for Modern Grid

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

Technology for Greener Ecosystem

- Translocating bigger and mature living trees
- Green co-location from Convergence business
- Utilised state-of-the-art technologies, including drone-based LiDAR and oblique camera systems, integrated with advanced Artificial intelligence (AI) for tree species identification.

Business Overview

Global Infrastructure

The evolving demand for electricity is reshaping the energy landscape, presenting new challenges and opportunities. We recognise the exponential rise in electricity demands and the need to meet them sustainably. With this awareness, we have been driven by the belief that power transmission has the transformative potential to create lasting social change.

This conviction fuels our efforts to push boundaries and make a positive impact on communities. In the fiscal year 2022-2023, our expertise and commitment to sustainable energy solutions played a crucial role. Our projects, spanning various regions, are designed to facilitate the transmission of renewable energy, fostering the growth of clean energy, and reducing carbon emissions. The successful bids we secured this year highlight our capability to deliver efficient, reliable, and environmentally friendly transmission systems. By doing so, we contribute significantly to India's clean energy goals and strengthen our position as a key player in the advancement of the renewable energy sector. Currently, we have a strong operational presence in both India and Brazil.

Our impressive portfolio encompasses 31 projects, spanning a vast network of nearly 15,000 circuit km of transmission lines. This extensive reach allows us to meet the growing demands for electricity, ensuring reliable and sustainable power transmission.

As the demand for electricity continues to rise, we remain committed to leveraging our expertise, technology, and innovation to address these evolving needs. We are actively exploring new opportunities, both in existing markets and emerging ones, to expand our presence and contribute to the sustainable development of the global energy landscape.

Enabling India's Energy Transition Journey

India has set an ambitious target of reaching 500 GW of renewable energy capacity in its pursuit of a sustainable and clean energy future. One of the critical prerequisites for achieving this vision would be a robust and resilient transmission grid. To ensure, the flow of green electrons from RE-rich centres to the deficient ones, transmission infrastructure needs strengthening. Hence, a significant investment in transmission build outs to ensure that RE can be reliably and efficiently delivered to consumers.

In the past year, Sterlite Power has achieved several significant milestones that will help to advance India's energy transition. One of the biggest milestones was the successful completion of its largest green energy corridor project – Lakadia Vadodara Transmission Project Limited (LVTPL). The project aims to deliver more than 5000 MW of power from RE-rich regions of Bhuj and Kutch to the national grid – a step towards accelerating India's transition towards a greener economy. Built with an investment of ₹ 2,024 crores, this inter-state transmission connects the 765/400 kV substation at Lakadia to Vadodara through a 335 km long 765 kV double-circuit transmission line. With 812 towers spanning seven districts in Gujarat, this power transmission corridor is also one of the largest transmission corridors built in India till date. Additionally, it forms a critical part of the world's largest 30,000 MW hybrid renewable energy park coming up in Kutch.

This year also witnessed Sterlite Power's foray into Rajasthan. The Company was awarded the Package G order, under Phase III. The project will serve as a critical link in evacuating 20 GW of renewable power from Rajasthan's Renewable Energy Zones (REZ) to the national grid and forms an integral part of the Ministry of Power's roadmap for integration of 500 GW RE. Sterlite Power will construct a 350 kms, 765 kV transmission corridor from Fatehgarh III to Beawar, enabling the evacuation of renewable power generated in Fatehgarh, Bhadla, and Ramgarh areas. This project follows our successful commissioning of the Lakadia-Vadodara green energy transmission project in Gujarat, highlighting our commitment to reliable and sustainable power transmission across India.

Our commitment to expanding our footprint led us to acquire Kishtwar Transmission Limited in Jammu & Kashmir (J&K). Kishtwar project will unlock the untapped hydro potential of J&K to the tune of 20,000 MW. In addition, the project will evacuate 2,000 MW of power from the Pakaldul HydroElectric Project to the Kishtwar substation. This project will involve the construction of a robust transmission system, which includes a 400/132 kV GIS substation located in Kishtwar and a 400 kV transmission line connecting Kishenpur to Dulhasti. In addition to augmenting the power flow capacity, this transmission system will also alleviate congestion in the downstream networks within the region, consequently, enhancing the quality and reliability of power flow in the Kashmir valley, benefitting the local communities, and improving the overall electricity infrastructure in the area.

True to our commitment of completing complex projects on or before schedule, Sterlite Power achieved the successful commissioning of the 400 kV Banaskantha, Kansari, and Vadavi Transmission line in Gujarat. The transmission line was completed 4 months ahead of schedule, effectively decongesting the existing transmission network in the region. This critical transmission line not only enables the evacuation of 1,000 MW of renewable power from Bhuj to the national grid but also augments the state's power transmission capacity, supporting Gujarat's goal of establishing over 67 GW of renewable energy by 2030.

Business Overview

Innovation drives transformation in power transmission, enabling technological advancements, efficiency, and sustainability. Our commitment to innovation is evident as we introduce cutting-edge products and solutions, delivering high-quality assets quickly.

At ELECRAMA 2023, we unveiled two revolutionary technologies: the 96 Fibre OPGW and ACCC ULS Brahmaputra High Performance Conductor. These innovations promote digitalisation and reduce transmission losses. The ACCC ULS Brahmaputra HPC is a ground-breaking conductor designed to overcome challenges in crossing the River Brahmaputra, one of India's longest rivers. Its uniqueness is in combining an aluminium alloy with a composite core of ultra-low sag properties, enhancing efficiency, capacity, reliability, and resilience in transmitting power across challenging terrain. Beyond India, we expanded our presence in Brazil, securing significant transmission projects in the country's auctions.

These projects will involve the construction of thousands of kilometres of transmission lines, strengthening the power network and supporting Brazil's renewable energy goals. We successfully completed the Vineyards Project, a remarkable endeavour spanning two states and reinforcing our commitment to reliable and efficient energy solutions. The project, spread across the states of Rio Grande do Sul and Santa Catarina, involved the construction of a 500 kV transmission line spanning approximately 530 km.

The Vineyards Project strengthens the power transmission network in Brazil, facilitating the efficient supply of energy from diverse generation sources to meet growing energy demands. This remarkable achievement further solidifies Sterlite Power's global footprint and affirms its position as a trusted partner in building future-ready power networks to drive economic growth and improve lives.

Strengthening our Presence in Brazil

In financial year 2022-23, Sterlite Brazil Participações S.A. ("Sterlite Brazil") won two transmission auctions in Brazil, organised by the National Electric Energy Agency (ANEEL) and held at B3 in São Paulo. These auctions covered the construction and maintenance of 5,425 km of transmission lines across Brazil, with a total of 13 lots auctioned. Sterlite Brazil secured Lot 05, which involved developing a 113 kms long transmission line with a capacity of 300 MVA for the state of Sergipe in Bahia and Sergipe. They offered a Permitted Annual Revenue (RAP) of BRL 22 million (US$ 4.4 million), a discount of 26.52% compared to the maximum of BRL ~30 million (US$ 6.0 million).

They also won Lot 09, which required building a 505 km transmission line with a capacity of 850 MVA in Mato Grosso and Pará to address energy demands in Claudia (MT) and Novo Progresso (PA). For Lot 09, Sterlite Brazil offered a RAP of BRL 88 million (US$ 17.6 million), a discount of 32.96% from the maximum RAP of BRL 130 million (US$ 26 million).

The implementation of these projects, estimated to take 42 to 60 months, is expected to generate around 2,261 direct jobs during the construction phase. These projects, along with Borborema, Dunas, and Solaris projects in Brazil, will enhance power transmission infrastructure, integrate renewable energy sources, and ensure a reliable power supply.

The **Borborema Transmission Project**, spanning approximately 130 kilometers, aims to strengthen Brazil's power transmission infrastructure by constructing a high-voltage transmission line connecting Paraíba. With an investment of around BRL 367 million, it will increase the grid's capacity, facilitate renewable energy transfer, support regional development, and ensure a reliable power supply.

The **Dunas Project** in **Ceará** and **Rio Grande do Norte** involves constructing 540.32 kms of transmission lines, implementing three new substations, and expanding existing ones. It is expected to create 2,434 direct and indirect jobs. With an investment of approximately US$ 1.4 billion, the project aims to increase the grid's capacity, integrate renewable energy sources, and improve power transfer capabilities.

The **Solaris Project** in **Minas Gerais** includes constructing 298.20 km of transmission lines, implementing one new substation, and expanding two existing substations. It is anticipated to generate 1,007 direct and indirect jobs. These initiatives showcase our commitment to regional development, sustainable growth, and a customer-centric approach. We prioritise excellence, technological innovation, and operational efficiency to reduce transmission losses and strengthen grid resilience.

Our goal is to expand access to affordable and uninterrupted power, shaping the future power grids in India and Brazil. We take pride in contributing to societal betterment, sustainable development, and the global power sector as a trusted partner, delivering reliable, efficient, and cost-effective power transmission solutions.

Accolades and Achievements

We had an exceptional year with numerous prestigious global and national accolades recognising our outstanding achievements. Sterlite Power Transmission was honoured with the **'Power Transmission Company of the Year' award at the esteemed Economic Times Energy Leadership Summit in 2023.** This recognition serves as a testament to the transformative influence of our leadership, driving us to pursue excellence relentlessly.

Furthermore, we are proud to announce that we have been certified as a **Great Place to Work® in India for the period of September 2022 to September 2023 by the esteemed Great Place to Work® Institute.**

This marks the second consecutive year that Sterlite Power has received the Great Place to Work-Certified™ distinction. This recognition highlights our dedication to fostering a purposeful and high-growth organisational culture.

These accolades showcase our relentless efforts and dedication towards creating a workplace where our employees thrive and where innovation, collaboration, and growth are encouraged. We remain committed to upholding these values and further strengthening our organisational culture in the years to come.

Business Overview

Operating Model

Bid

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

Award

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

Develop

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

Build

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

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

Asset-flip

- Flip assets to InvITs
- Recycled equity for new projects

Portfolio at a Glance

31 Projects
Won under Public Private Partnerships (18 in India under TBCB and 13 in Brazil)

18 Operational Assets
Won under PPP

₹41,748.89 crores of Capital Expenditure
(Figures as per CEA and ANEEL estimates)

~28,322 MVA
of Transformation Capacity

32 Substations

68 EHV Lines

~15,154 ckm
of Power Transmission lines commissioned or under construction

24% Market Share
By tariff of inter-state projects awarded under competitive bidding in India.

99.78% Availability
Achieved across our commissioned assets in Q4FY23

India

Our assets are located in strategically important areas from the perspective of transmission connectivity, transferring power from generating centres to load centres to meet inter-regional power deficits.

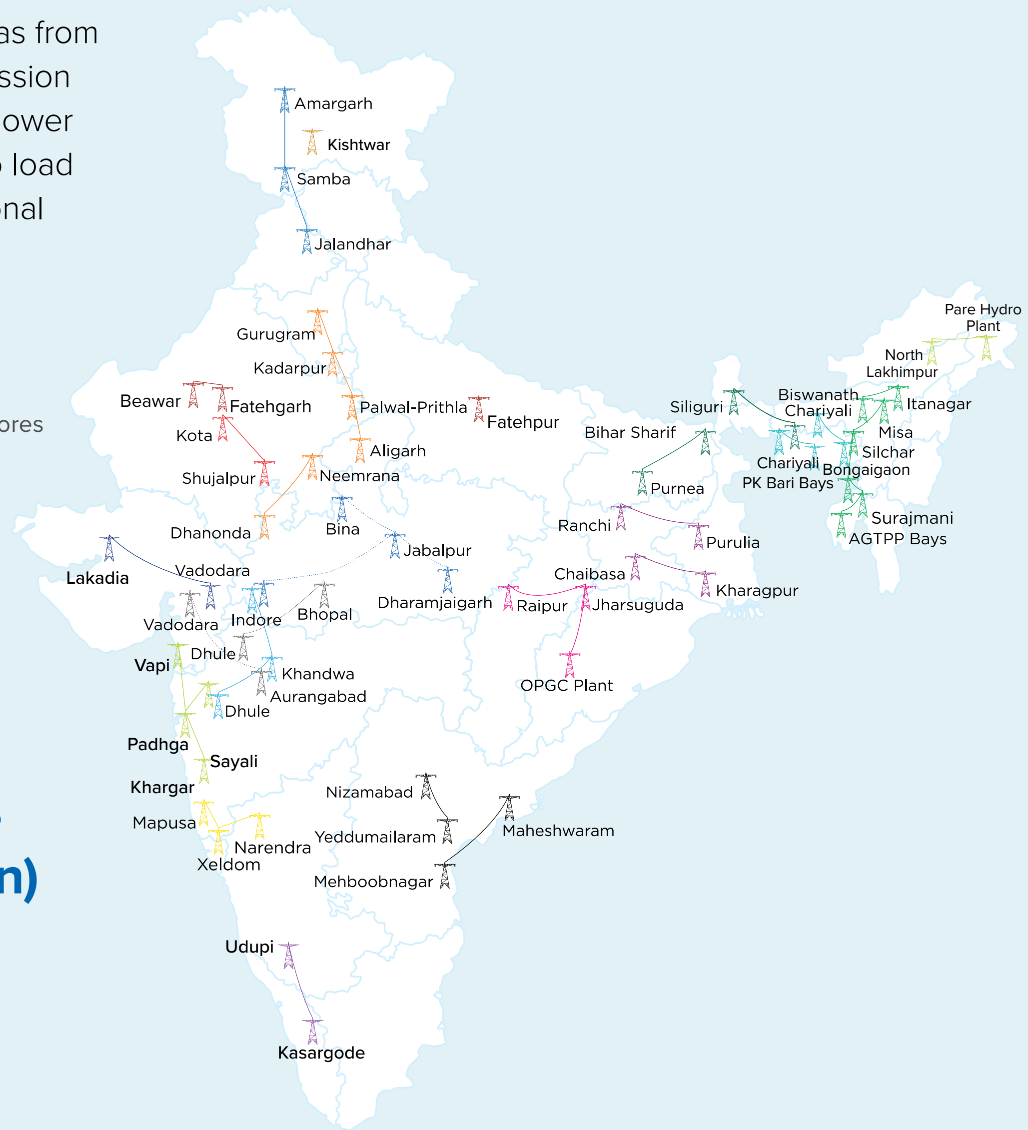
We now have a total portfolio of 18* transmission projects in India, spanning more than 10,143 ckm, through a total capex of ₹26,724 crores (US$ 3.60 billion).

Footprint in India

5,585 km
Route Length

10,143 ckm
Length

₹ 26,724 crores (US$ 3.25 billion)
Project Capex



JTCL BDTCL RTCL MCTL
PKTCL NRSS ENICL GPTL
OGPTL KTL NER-II
(Assets Managed by IIML)

LVTPL (Assets Executed)

GTTPL F III BTL UKTL
MUML NBTL KTPL
(Assets Under Execution)

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

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

Business Overview

Footprint in India

Project	Overview	Scheduled CoD*	Project Elements
Jabalpur Transmission Company Limited (JTCL)	1 x 765 kV D/C line 1 x 765 kV S/C line	Commissioned	**994** ckm
Bhopal Dhule Transmission Company Limited (BDTCL)	4 x 765 kV S/C line 2 x 400 kV D/C line 1 x 765/400 kV Sub-station	Commissioned	**945** ckm **6,000** MVA
RAPP Transmission Company Limited (RTCL)	1 x 400/220 kV D/C line	Commissioned	**402** ckm
Maheshwaram Transmission Company Limited (MTCL)	2 x 400 kV D/C line	Commissioned	**472** ckm
Purulia & Kharagpur Transmission Company Limited (PKTCL)	2 x 400 kV D/C line	Commissioned	**545** ckm
NRSS XXIX Transmission Limited (NRSS)	3 x 400 kV D/C line 1 x 400/220 kV Sub-station	Commissioned	**830** ckm **735** MVA
East-North Interconnection Company Limited (ENICL)	2 x 400 kV D/C lines	Commissioned	**904** ckm
Gurgaon-Palwal Transmission Limited (GPTL)	5 x 400 kV D/C line 3 x 400/220 kV Sub-station	Commissioned	**271** ckm **3,000** MVA
Khargone Transmission Limited (KTL)	2 x 765 kV D/C line 2 x 400 kV D/C line 1 x 765/400 kV Sub-station	Commissioned	**627** ckm **3,000** MVA
NER II Transmission Limited (NER-II)	2 x 400 kV D/C line 3 x 132 kV D/C line 2 x 400/132 kV Sub-station	Commissioned	**832** ckm **1,260** MVA
Odisha Generation Phase-II Transmission Limited (OGPTL)	1 x 765 kV D/C line 1 x 400 kV D/C line	Commissioned	**710** ckm
Goa-Tamnar Transmission Project Limited (GTTPL)	1 x 765 kV D/C line 2 x 400 kV D/C line 1 x 220 kV D/C line 1 x 400/220 kV Sub-station	Under construction	**478** ckm **1,000** MVA
Lakadia-Vadodara Transmission Project Limited (LVTPL)	1 x 765 kV D/C line	Commissioned	**659** ckm **1,000** MVA
Udupi Kasargode Transmission Limited (UKTL)	1 x 400 kV D/C line 1 x 400/220 kV Sub-station	Under construction	**231** ckm **1,000** MVA
Mumbai Urja Marg Transmission Limited (erstwhile known as VNLTL)	4 x 400 kV D/C line 2 x 220 kV D/C line 2 x 132 kV D/C line 1 x 400/220 kV Sub-station	Dec-2023	**351** ckm **1,000** MVA
Nangalbibra Bongaigaon Transmission Limited (NBTL)	1 X 400 kV D/C line 1 X 132 kV D/C line	Under construction	**281** ckm
Kishtwar Transmission Limited (KTPL)	1X 400 kV D/C line	SPV acquired	**2** ckm
Fatehpur III Beawar Transmission Limited	1 x 765 kV D/C line 2 x 765 line bays	SPV acquired	**700** ckm

*Due to the impact of the outbreak and spread of the COVID-19 pandemic, all under-construction transmission projects were granted a 8 month extension by the Ministry of Power Notification No. 3/1/2020-Trans dated July 27, 2020.

Brazil

We commissioned our first project in Brazil 28 months ahead of schedule, while also emerging a winner in the auction of the prestigious Pampa project.

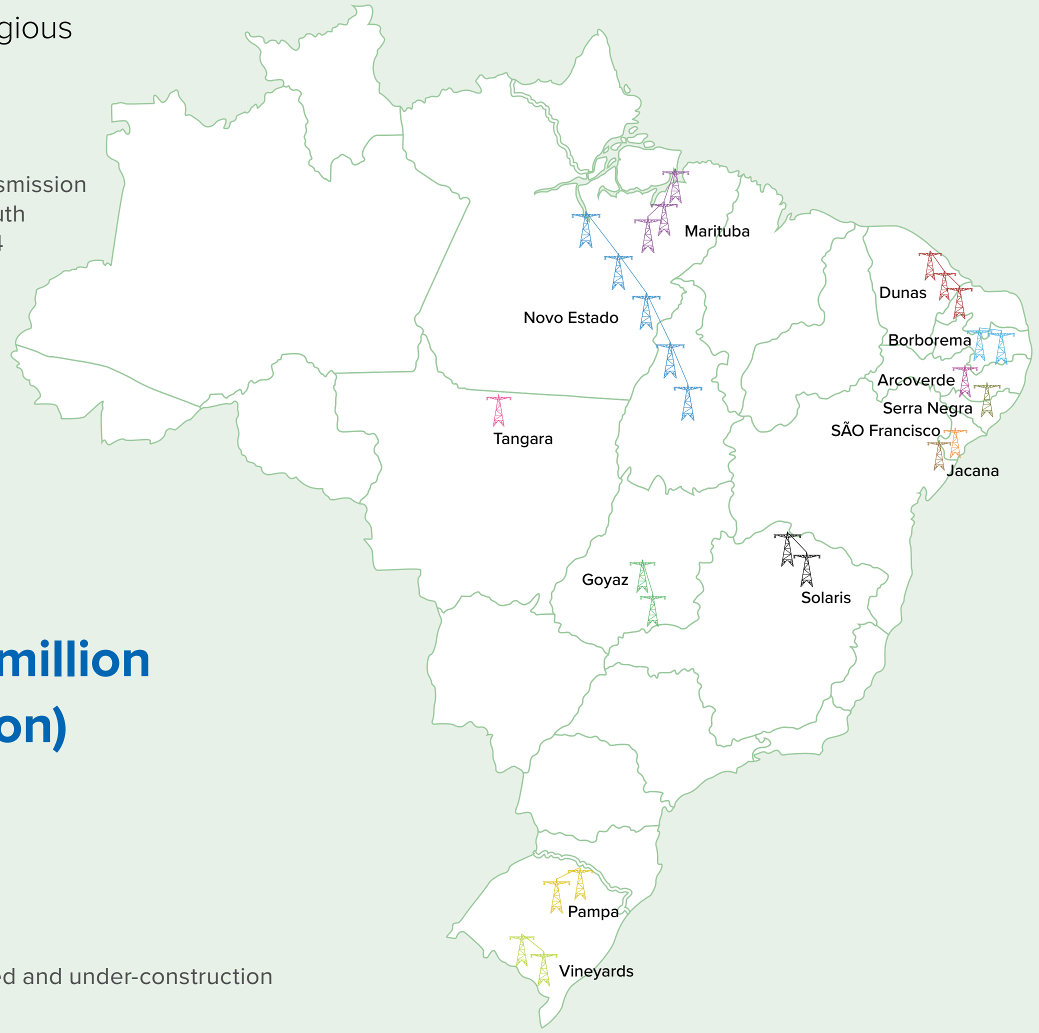
In a short span of time, we have developed a portfolio of 13 transmission projects* in the fast-growing South American nation, spanning 5034 ckm, through a total capex of BRL 9,257.48 million.

Footprint in Brazil

4,752 km
Route Length

5,034 ckm
Length

BRL 9,257.48 million (US$ 1.83 billion)
Project Capex



*Including projects commissioned and under-construction

SOLARIS GOYAZ BORBOREMA SÃO FRANCISCO MARITUBA JACANA
TANGARA SERRA NEGRA
(Assets Under Execution)

PAMPA* NOVO ESTADO* ARCOVERDE* DUNAS* VINEYARDS*
*Assets managed by third party

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

Business Overview

Footprint in Brazil

Project	Overview	Scheduled CoD	Project Elements
Arcoverde	2 x 230 kV transmission line 1 x 230/69 kV substation	Commissioned	**139** ckm **400** MVA
Vineyards	3 x 230 kV transmission line 2 x 230/69 kV substation 4 x 230/69 kV Brownfiled substation	Aug-22	**114** ckm **496** MVA
Novo Estado	3 x 500 kV transmission line	Commissioned	**1,831** ckm
Dunas	3 x 500 kV transmission line 3 x 230 kV transmission line 3 x Greenfield substation 3 x Brownfield substation	Commissioned	**541** ckm **3,300** MVA
Borborema	1 x 500 kV transmission line 1 x Greenfield substation 1 x Brownfield substation	May-23	**130** ckm **750** MVA (Additional 450MVA in Borborema Reinforcement)
Sao Francisco	2 x 500 kV transmission line 1 x 230 kV transmission line 5 x Brownfield substation	Sep-23	**521** ckm
Goyaz	1 x 230 kV transmission line 4 x brownfield substation	May-23	**152** ckm **600** MVA
Marituba	1 x 500 kV transmission line 2 x Brownfield substation	May-23	**374** ckm
Solaris	1 x 345 kV transmission line 1 x 230 kV transmission line 1 x greenfield substation 3 x brownfield substation	Jan-24	**298** ckm **800** MVA (Additional 600MVA in Borborema Reinforcement)
Pampa	2 x 525 kV transmission line 1 x 525/230 kV substation	Commissioned	**316** ckm **1,544** MVA
Jacana	500kV Olindina II S/S – interconnection of 500kV and 230kV switchyards, (3+1)x150MVA	Mar-25	**450** MVA
Tangara	2 x 230kV transmission line 2 x greenfield substation 1 x brownfield substation	Oct-25	**511** ckm **850** MVA **2 x (-45/+45)** Mvar
Serra Negra	2 x 230kV transmission line 1 x greenfield substation 2 x brownfield substation	Feb-25	**113** ckm **300** MVA

MSI (Master Systems Integration) and Products Business

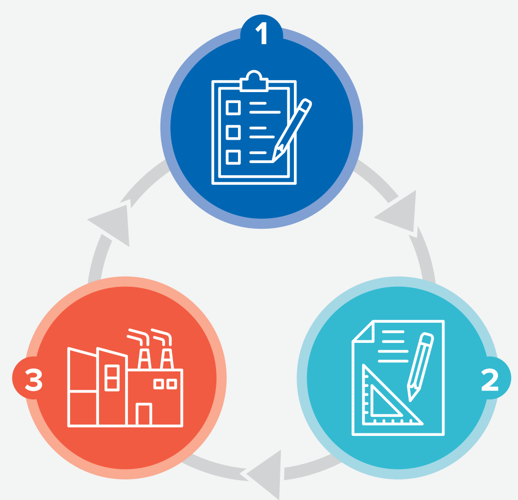
India is home to some of the world's fastest growing cities. Urbanisation and development are triggering exponential demand for power, resulting in transmission congestion challenges. There is an urgent need to strengthen, upgrade and uprate corridor intensity of ageing transmission infrastructure with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

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

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

Business Overview

Business Model



1 System planning and optimisation

Co-create solutions to make techno-economical choices, using state-of-the-art technology solutions

2 Feasibility studies and detailed engineering

Survey and feasibility assessment and detailed engineering

3 Project management and execution

Delivering solutions on turnkey basis

Capabilities

- Transforming ageing power transmission infrastructure with innovation, technology, solutions and project execution expertise
- Strong expertise in design and engineering, automation using technologies such as robotics and aviation, digital tools for substations, conductor, cable systems
- Proven expertise in innovating pioneering long span river crossings solutions
- Zero shutdown live line reconductoring capability
- Industry-leading global partnerships state-of-the-art technical solutions

Differentiators

- Fast turn-around times for feasibility assessment and execution
- Use of Robotics and aerial technology for safe stringing of OPGW and power conductors
- Bringing the best and the latest of solutions such as power flow controller, dynamic line rating, tower coating, to utilities in India, for maximising asset utilisation
- Passionate proponents of innovation, for faster execution and for better safety and quality standards

Marquee Projects

Transgrid 2.0 Kerala

Transforming Kerala's Inter-State Transmission Systems corridors by effecting a 15-24x increase in throughput with a massive uprate/ upgrade exercise to revamp ageing infrastructure.

River Crossing Solutions
Ganga | Narmada

Strong display of product and process innovation in solutions deployed across the Ganga and Narmada rivers. High performance conductor used for long-span river crossing across the Ganga river. Stringing of a single largest span of 1.7 km route length across the Narmada river.

Deploying GAP technology in NERSS

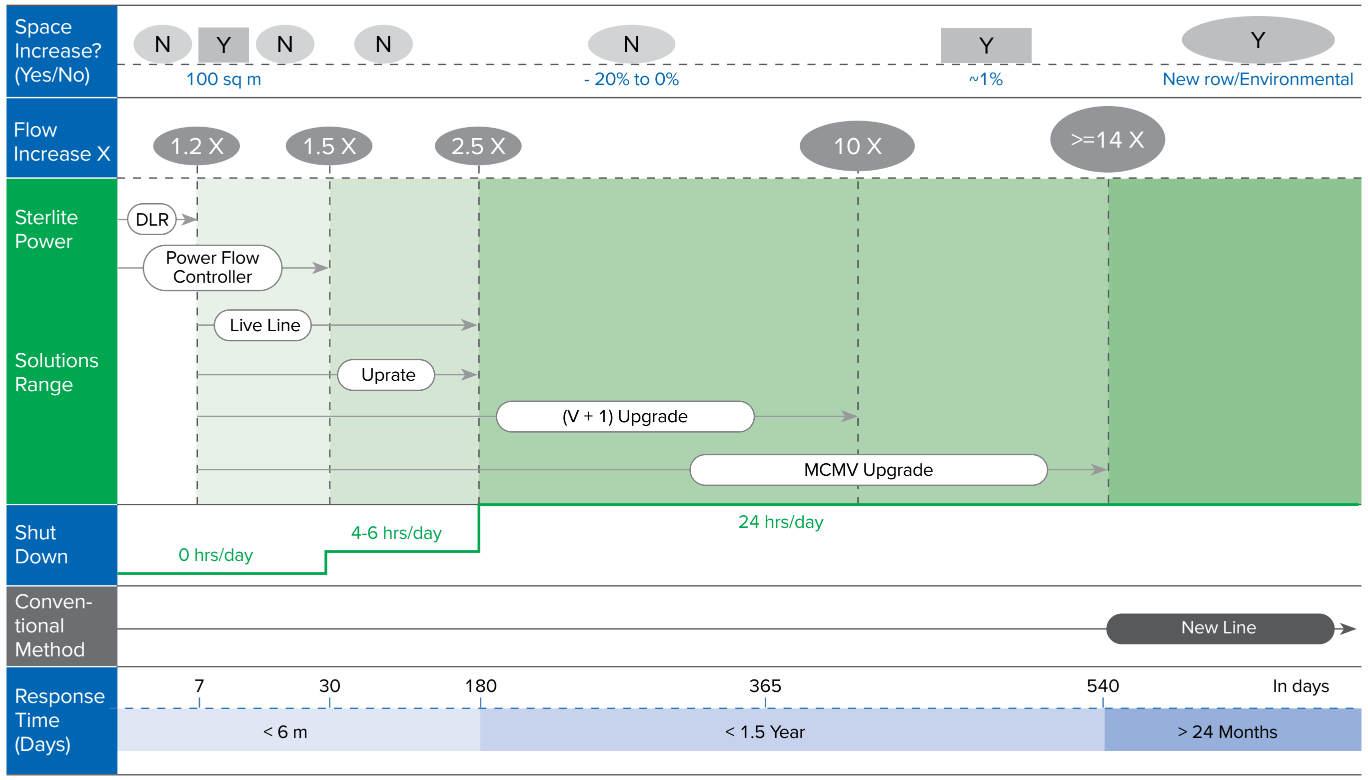
Cost-effective GAP solution deployed on 132 kV to 400 kV lines spanning Assam, West Bengal, Nagaland and Manipur.

This doubled power ampacity and reduced losses on existing power corridors also reducing the need for additional ROW.

Key process innovation during installation with the development of the 'Pulling eye' to pull the gap conductor.

Business Overview

Comprehensive Range of Solutions



Solutions Continuum: Addressing time, space and capital

5,300+ ckm

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

117

Critical corridors in 25 states

44,000+

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

India

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

Business Overview

Transmission Technologies

HTLS

- Enabling last mile network augmentation for Discoms to strengthen corridors and facilitate enhancement of operational efficiencies while reducing AT&C losses

Skyrob™

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

Aerial Technology

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

Industry Leading Diversified Portfolio

Sterlite Power is one of the world's leading manufacturers of power cables, conductors and OPGW, supplying to all major Indian states and private utilities besides exporting to 70+ countries. It has four state-of-the art manufacturing assets in Silvassa, Jharsuguda and Haridwar.

Overhead Products Business

Conductors

- Complete range of power conductors from ACSR, to High Performance Conductors (HPC), like composite core, INVAR, ACCC, ACSS & GAP type
- Four NABL-accredited manufacturing facilities with production capacity of 1,20,000 MT/ year with current mix (30% HPC) and 30,000 km/year of HPC
- Supply to 70+ countries worldwide
- One among two manufacturers in India with upstream integration of molten metal for manufacturing conductors
- Conductor facilities at Rakholi and Piparia scored 97% and 93%, respectively in the Workplace Conditions Assessment audit conducted by Intertek in November 2018
- Licensee for ACSS conductors in India. ACSS conductor reference of more than 10,000km globally
- Also supplying A I59 conductor in Europe and India for more than 40,000 km

OPGW

- India's only fully-integrated manufacturer and solutions provider of OPGW; NABL-accredited manufacturing facility
- Production capacity ~ 20,000 KM/ Year (12,427 miles/Year), 25,000 KM by Sept '23
- +73,000 km (45,360 miles) of OPGW along with hardware supplied globally
- First Public-Private partnership (PPP) in Asia to build a OPGW based fibre network
- **Manufacturing Capability –** Higher fibre count with different Fibre Type – G652D, G655, Low Loss etc.
- Only company in India to manufacture 96 fibre.
- Planning, application, design engineering and execution capabilities to meet requirements of power systems/utilities for communication, protection and commercial purposes

Underground Products & Turnkey Business

Cables & Solutions

- State-of-the-art facility in Haridwar for manufacturing cables with CCV lines (Longest in India) and NABL-accredited Test Lab
- Wide product range covering 6.6 kV to 220 kV power cables
- New products like three core 66kV cables, fibre-integrated power cables, high-ampacity, low-loss cables and CCD are in focus
- EHV turnkey projects, Capability includes UG Transmission line up to 400kV along with GIS/AIS substation up to 400kV

Differentiators

OH

- Fully backward and forward integrated state of art manufacturing facilities with control over the entire value chain – from products to services – to ensure uninterrupted supplies of raw material
- Years of in-depth experience in transmission lines service
- Access to smelters of Sterlite Group companies to ensure abundant raw material, regardless of global aluminum shortages
- Unique positioning with aluminum rods production using Molten Metal from smelter to ensure high quality products with lower carbon foot print
- Unique design solution for new transmission lines in ACSS Family, supplied with annealed Aluminium and Al-Clad Steel - High Tensile (1800 MPa of ACS wire strength)
- Differentiated Product supplies to RE Parks with low loss conductor -ECO-Max
- Differentiated lower weight Gap Conductors with Mega, Ultra & Extra High Steel for 132, 220 & 400 KV reconductoring projects (Steel wire strength from 1600 MPa to 2050 MPa.)
- Unique river crossing designs for higher spans in ACCC family using ultra low sag composite carbon fibre core (span length > 1.0 Km)
- High strength OPGW for river crossing for similar higher spans
- Proximity to Seaports - All plants are located near seaports for easy movement of materials
- Only conductor manufacturer in the world owning transmission lines in India and Brazil

UG

- State-of-the-art manufacturing facility (2010) with 2 longest CCV lines (Maillefer
- Latest equipment's from Europe and India for 220 kV, expandable to 400 kV
- NABL accredited Test labs for Type-Test up to 220 kV
- Strong R&D and technical expertise for New Product Design, Development, and Turnkey Solution
- First Indian cable manufacturer to develop 5 breakthrough innovations in Power Cables – FIPC, CCD, HA, Low Loss and 3 core 66kV Cables
- Patent received for UltraEff Cables
- Highest Market Share in 66kV Segment – 45%
- First Cable manufacturer in India with 100% Green solution for Packing and Drum (only Steel is used) – thereby reducing carbon footprint
- Inhouse Execution Capability upto 400kV
- First cable manufacturer in India to develop Highest Cross Section (1,600 sqmm-Copper) in 132kV Segment. Project commissioned successfully in Gujarat for Torrent Power

Business Overview

Key Achievements

Conductors	OPGW	Cables & Solutions
Global leader in Manufacturing of overhead T&D conductors – HTLS, ACSR, ACAR, AAAC, AAC	India's first and only **fully-integrated OPGW** solution provider	**1,400+ km of 66kV Cables** supplied to Utilities pan-India
~132,000 MT/Year (45,000 miles/year) Production capacity	**~20,000 km/Year (12,427 miles/Year)** Production capacity (25,000km by Sept '23)	**300+ km of 132kV Cables** supplied to Utilities pan-India
~45,000 MT/Year (15,500 miles/Year) Production capacity (HPC)	**+73,000 km (45,360 miles)** of OPGW along with hardware supplied globally	**50+ km of 220kV Cables** supplied to Utilities pan-India
413,000+ km (256,620 miles) of conductors supplied by Sterlite outside India		**8,000 km of MV (33/11kV) Cables** supplied pan-India

Focus on Energy Efficiency – OH Business

- The blower supplying air to burners of melting furnaces has been upgraded and Variable Frequency Drivers installed which led to a reduction in power consumption by 25%.
- Power consumption reduction of 28% achieved by increasing the utilisation of the Age Hardening Furnaces.
- The interlock mechanism in Konforming machine contributed to a 10% reduction in energy consumption.
- In Thermal Aluminum rods used for HTLS – Gap Type special product, process engineering resulted in the total cost reduction by 50% largely in energy cost.
- Rooftop Solar Power generation installed of 250 kW in Rakholi plant couple of years back yielding benefits towards green initiatives.
- Eliminated compressed air and dust formation by using most recent turbine technology in non-specular (Dull Finish Conductors) special products for North America and Europe markets.
- Alloy conductor production capacity enhancement by addition of heat treatment furnaces to cater to the increased the demand of AL 59 conductor in Indian market.
- Inhouse/domestic capability developed for manufacturing and sourcing of high strength Al-Clad Steel, Mega, Ultra & Extra galvanised high strength steel to cater latest technological product demand in domestic market.

Convergence Business

India

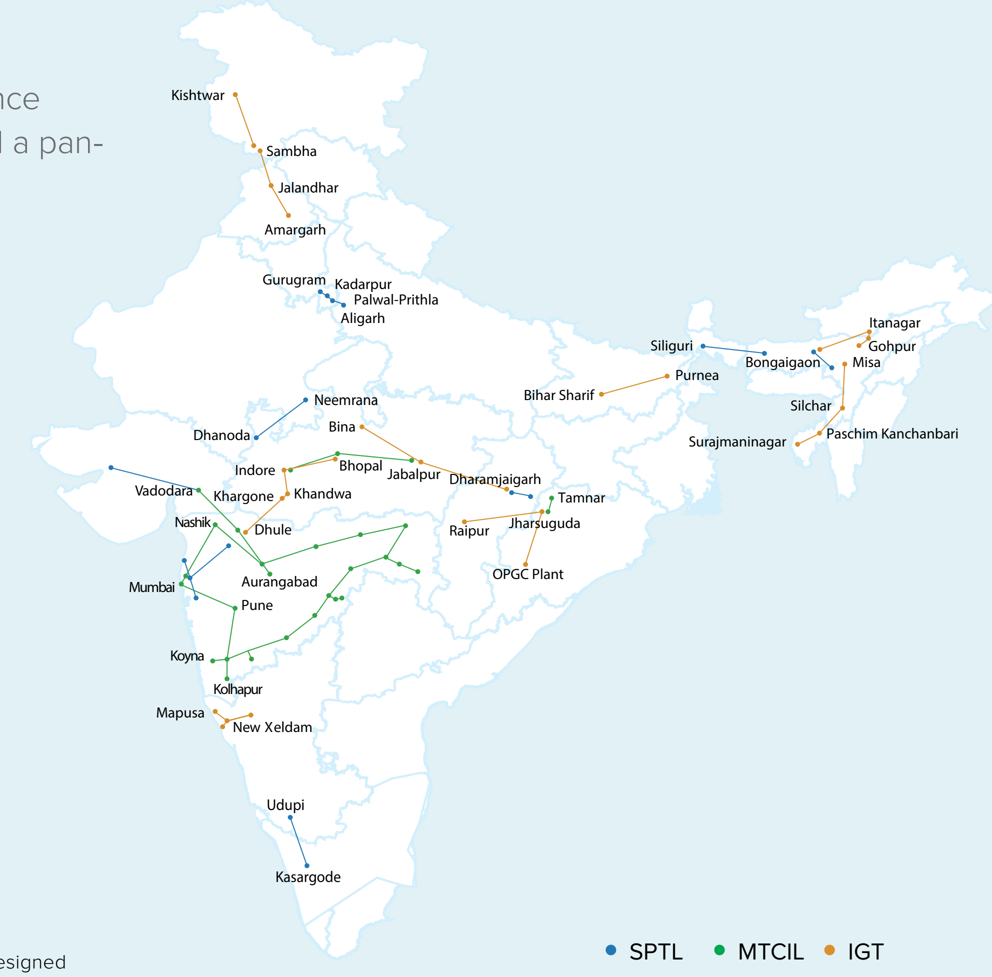
Sterlite Power Convergence Assets on its way to build a pan-India network

Access to

8,500+ kms
of OPGW

4,416 ckm
Length

100+ districts
450+ towns
Network coverage



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

A convergence of power utilities and telecom companies is an apt choice to build a digitally connected India.

India is at a cusp of a digital revolution unleashed by the advent of 5G rollouts announced in FY 23 by leading telecom operators who are expanding their fibre networks to deliver the required speeds and customer experience across the country. In addition to this, there is a huge drive to connect large Data Centres on reliable OPGW fibre medium to ensure a stable, low latency and reliable network sought after by Hyper Scalers like Amazon Web Services and Google.

Business Overview

Convergence business in uniquely poised to address this huge opportunity to provide reliable OPGW fibre network to telecom operators and have also forged relationships with cloud service providers to deliver a robust fibre network connecting data centres in Mumbai through partnerships with wholesale carriers. Convergence business has entrenched relationships with all telecom service providers through long-term Master Service agreements in Maharashtra and are their partner of choice for OPGW fibre connectivity across prominent routes.

With 5G deployments getting accelerated and IoT devices ready to connect and interact with one another – Machine to Machine (M2M), reliable optical fibre infrastructure is the need of the hour. The omnipresent utilities network located across the length and breadth of the country is poised to address the above need. Fibre network riding on utilities' existing network can provide unparalleled coverage, along with robust and secured infrastructure. Our Convergence business is the leading best-in-class dark fibre solution providers in the country, utilising the highly reliable OPGW network.

Convergence business is replicating the success of PPP models in Maharashtra state with State Transco for OPGW and in Gurugram (GMDA) for underground fibre connecting key business and government offices. Sterlite Interlinks Ltd. SIL) is now taking a position of aggregator and offering a value proposition to State Utilities to maintain and monetise their OPGW spare capacities. Convergence business is disrupting the fibre infrastructure connectivity in the country and intending to create national long distance corridors connecting Mumbai-Delhi, and Chennai, Bengaluru and Hyderabad by using its own OPGW assets and partnering with State Utilities.

The business is in expansion mode and planning to replicate the similar PPP models in other states as well. Our co-location services with industry best tenancy of 5.1 provides a flexible rental rack space in a highly secured location with uninterrupted power supply and multiple back-up power. The tower infrastructure services include lease of the huge network of transmission towers for telecommunication and IoT services. The business also undertakes end-to-end fibre EPC to support telecom service providers build their network. We are the first in the Indian telecom industry to introduce edge computing Containerised Data Centres (CDC) to host telecom equipment. CDC solution reduces the turnaround time and provides superior customer experience. Sterlite Power's CDC solution has been recognised at the 12th edition of the Aegis Graham Bell Awards for winning in the category of "Innovation in Telecom Infra".

Convergence has locked contractual cashflows of ₹ 700+ crores payable in the next 12–15 years from its customers for the lease of Dark Fibre & Colo space comprising of upfront IRU/ARC OTC's plus Recurring Fibre & Collocation O&M charges. The OPGW fibre network in Maharashtra is rapidly expanding owing to the demand from customer and an additional 2,000 Kms fibre routes are being created in FY 24 to meet the growing needs of reliable fibre.

Our customer centricity and dedication to add value to customers business is a differentiator and this has enabled the growth in our business. Convergence business takes pride in having 41 unique Telecom and ISP customers across Maharashtra and GMDA networks where long term partnerships have been cemented.

Key Achievements

8 new logos added in the MTCIL & GMDA network (total 41 unique customers).	**MTCIL JV Scope extended by 70% (2,000 kms) in Maharashtra and tenure extension by additional 6 years.**	**Industry highest Colo Tenancy of 5.1.**
₹700+ crores Cumulative contractual portfolio OB.	**Indigrid Transmission and Sterlite Interlinks Ltd has signed a term sheet for exclusive access to OPGW across 8 assets of 3,600 Rkm (route kilometre) approx.**	**Consistent and industry-best uptimes of OPGW, Colocations and UG 99.99% with no compromise QHSE of 0% LTIFR and 100% NCR score.**

Quality Excellence

Sterlite Power is committed to delivering high quality projects and products through a first time-right approach. We have established quality as centre of excellence and drive assurance through engaged leadership and a risk-based process approach implementation of Quality Framework, Critical to Quality (CTQ), regular bootcamps and strategic partnership with our contractors and supplier.

Sterlite Power Quality Framework describes the policy, guidelines, and management standards to consistently deliver project, product and services that meet the customer and applicable statutory and regulatory requirements, aligned with international ISO 9001:2015 standards. The performance of quality is measured through a specially designed balance score card comprising input and output parameters. These parameters are categorised into Lead & Lag indicators called Quality Health Index (QHI). QHI is designed and developed to measure the implementation and performance of quality framework, procedures and best practices in the organisation, across projects and plants.

Quality Excellence Model

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

Engagement
Recognition, empowerment and enhancement of skills and knowledge

Leadership
Provide purpose, direction and engagement operation's built in ownership

Continual improvement
To sustain current performance, measurement through Score Card and to create new opportunities

Digitalisation
Facts, evidence and data analysis for decision-making iQSafe, Advance BI tools and RPA

Process approach
Risk-based approach, Critical to Quality (CTQ) Compliance, Optimise performance

Partnership
Evaluation, onboarding, periodic assessment with EPC and suppliers

Our Digital Quality App (Eagleye) is the key differentiator to capture real-time CTQ compliances, perform inspections, data analysis and dynamic dashboards for project sites. Our manufacturing quality labs are NABL accredited to deliver high-quality conductors, cables and OPGW fibres.

Committed to Safety First

Sterlite Power believes that “all injuries, occupational illnesses and incidents related to Quality, Health, Safety and Environment (QHSE) are preventable”. Sterlite Power has a vision of “Zero Accidents”, and we consistently strive to achieve high QHSE Standards considering them as non-negotiable and integral part of our all-business operations.

- Conduct all our activities in such a manner as to provide safe and healthy working condition through elimination of hazards and reduction of OHS risks to avoid harm to employees, contractors' workforce, associates, and the community.
- Comply with applicable legal requirements and other requirements related to HSE and strive to fulfill the compliance obligation.
- Minimise environmental impact by conserving resources, reducing waste generation, and preventing pollution in all our activities at our workplace.
- Drive continuous improvement in HSE through setting and reviewing objectives and targets, assessing and reporting HSE performance, using appropriate best available QHSE practices and providing appropriate training and resources to employees, contractors' workforce and associates.
- Promote a positive safety culture within our organisation through effective communication, participation and consultation with employees, contractors' workforce, and associates.
- Assign and communicate HSE responsibilities and accountability to employees, contractors, workers, associates, suppliers and service providers towards fulfilling QHSE requirements.

We have adopted below holistic approach to drive HSE Management system

1. **Setting HSE Objectives and targets**
2. **Preparation of HSEplan, EPRP**
3. **Implementation of plan, conducting HIRA, training and mock drills**
4. **Monitoring status of implementation by conducting inspections and audits**
5. **Recording and reporting of HSE key performance indicators**
6. **Management review**

We celebrate the first day of the month as ‘Safety Day’ across projects and plants to create awareness and recognise best safety practices.

Positively Impacting Lives

4 QUALITY EDUCATION

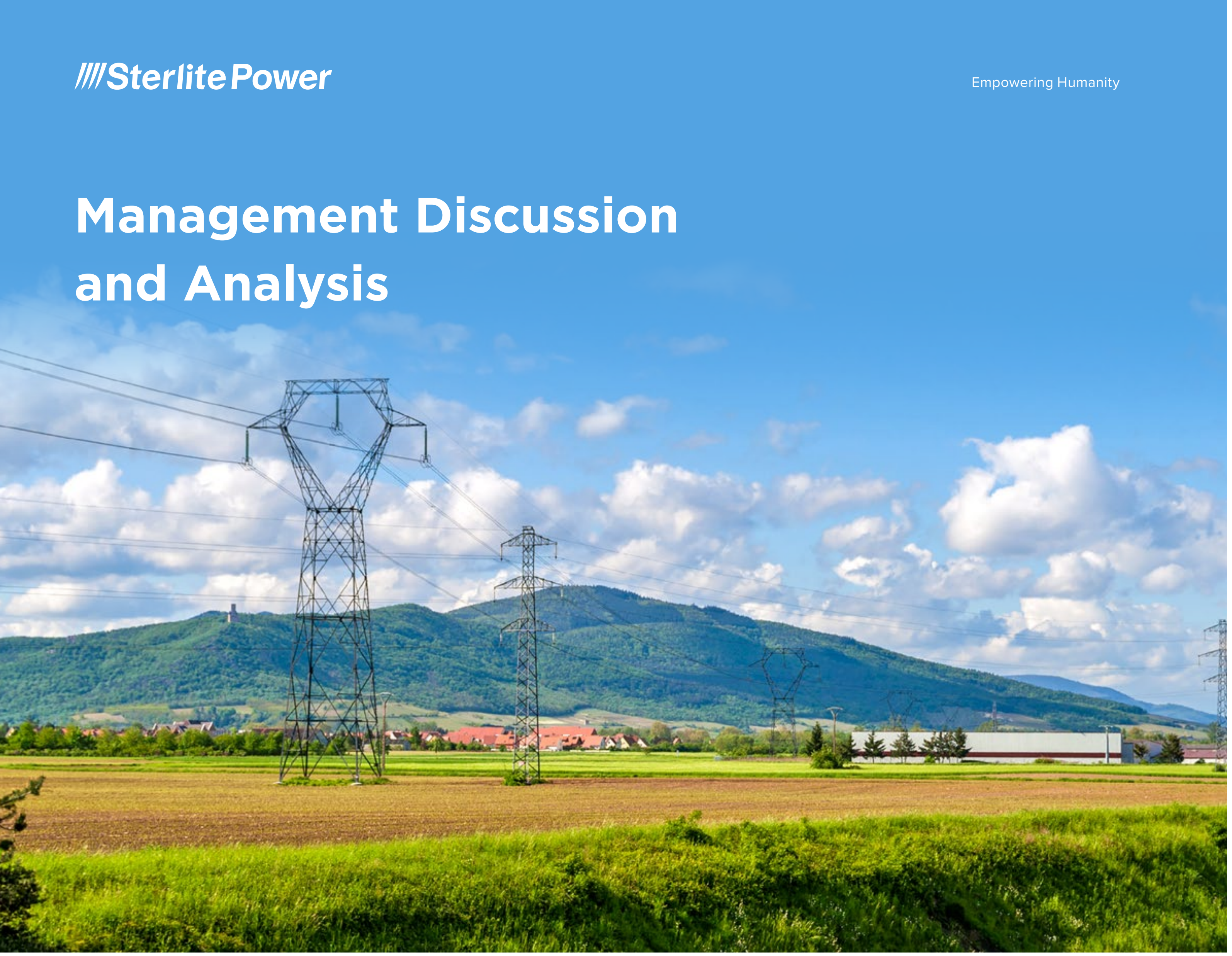
Sterlite EdIndia Foundation, strategic arm of Sterlite Power, has been working to fulfil the objective of "quality education" as outlined by SDG 4.

With the vision of ensuring that every child in the country has access to quality education, EdIndia has engaged with the educational ecosystem by providing tech-innovations, content, skills, and analytics to deliver quality learning experiences to children.

EdIndia's flagship project, Project Pragyan, has reached over 50,000 teachers through the Pragyan app. The app provides teachers with access to state-curriculum-mapped resources to improve learning outcomes in the classroom. In addition to its on-ground teacher-support component, Project Pragyan has made positive strides in integrating technology into 120 classrooms across Rajasthan and Uttarakhand through its Smart Classroom programme.

EdIndia's Project Teachable is a one-of-a-kind project that aims to improve the conditions of pre-service teacher education in India. Through direct partnerships with SCERT Chhattisgarh and Samagra Shiksha Uttarakhand, the project has benefitted over 4,500 pre-service students across 26 District Institutes of Education and Training (DIETs) as well as 8 private teacher education institutes through multimedia curriculum support, in-person workshops, and professional development sessions. As part of the initiative, EdIndia hosted the first-ever state-level Teaching Plan Competition in collaboration with SCERT Chhattisgarh, which received over 1,500 applications. This provided pre-service teachers with practical exposure to classroom teaching, which Project Teachable advocates to be included in the curriculum.

EdIndia's data analytics project, Project Nirnay, has been providing data visualisation and analytics support to government administrators across Maharashtra and Chhattisgarh. In FY 2022-23, the project has successfully trained over 1,000 government stakeholders on how to use Nirnay dashboards and Nirnay web app for data collection and insight generation. During FY 2022-23, more than 600 decision makers successfully utilised the Nirnay platform for making data-driven decisions and devising informed strategies. In its effort to improve the quality of education, EdIndia partnered with UNESCO-MGIEP and conducted training sessions on certified courses for over 3,500 in-service and pre-service teachers on the skills of digital pedagogy.



Management Discussion and Analysis

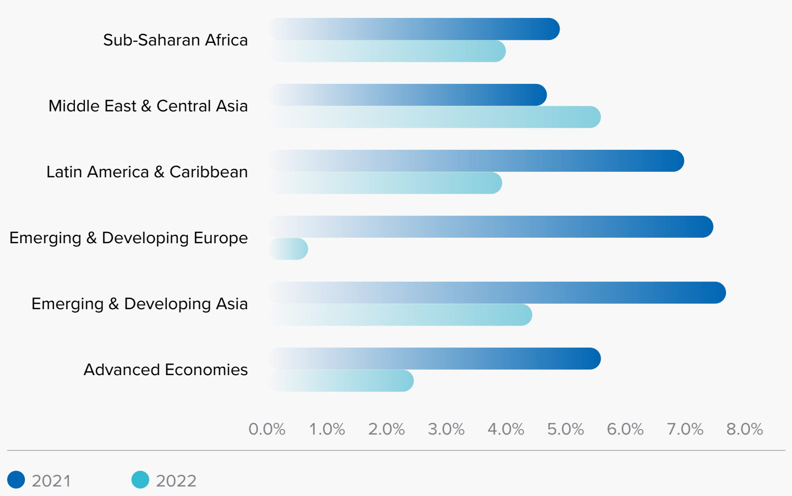
Economic Overview

Global

The global economy is gradually recovering from the blows of COVID-19 and Russia's war in Ukraine. While the lowering food and energy prices, improved supply chain functioning and China's economic reopening provided the necessary fillip to the economy, risks are firmly to the downside with increased inflation and uncertainty from the recent financial sector turmoil.

Chart 1: Growth in economies in 2022 vs 2021

A slow recovery, mainly weighed down by Russia's invasion on Ukraine and inflation



The inflation which reached multi-decade high last year, appears to have peaked in many economies, notably in the United States, the Euro area, and Latin America. Further, the global monetary policy remained tight to push the inflation back towards its targets. As per IMF World Economic Outlook April 2023, the world economy grew 3.4% in 2022, led by Middle East and Asia which added most of the growth.

Outlook

The global economic growth is expected to be moderate for next two years, growing at 2.8% in 2023 and 3.0% in 2024, as per the IMF World Economic Outlook. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7% in 2022 to 1.3% in 2023 and 1.4% in 2024. Developing economies of Asia are expected to drive most of global growth in both years, growing at 4.4% and 5.3% respectively, as they benefit from ongoing reopening dynamics and less intense inflationary pressures compared to other regions. Overall, global inflation will decrease, although more slowly than initially anticipated, from 8.7% in 2022 to 7.0% in 2023 and 4.9%in 2024.

India

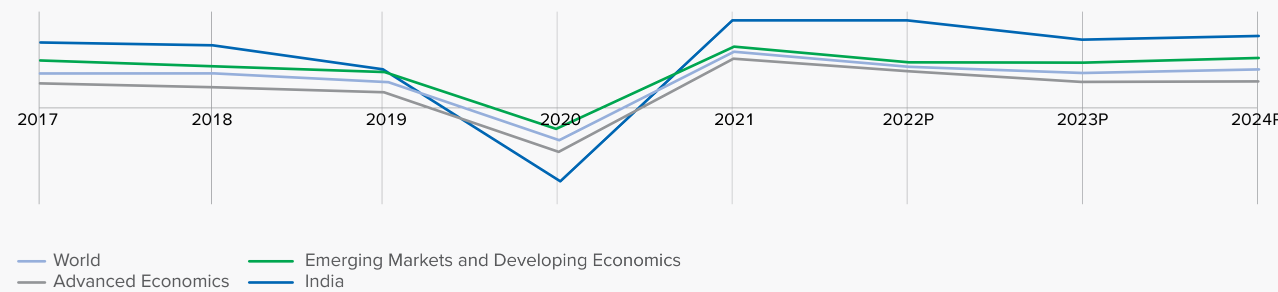
The global economies slowed in 2022, however, India was one of the fastest growing economies in the world with 6.8% of growth. Growth was supported by robust domestic demand – strong investment activity augmented by the government's capex push and buoyant private consumption, particularly among higher income earners. External demand was weak as central banks globally continued monetary tightening to tame inflation. The inflation for India remained above the Reserve Bank of India's (RBI) target range of 2-6%.

Outlook

The International Monetary Fund (IMF) has projected an optimistic outlook for India with a growth rate of 5.9% in 2023 and 6.3% in 2024. Despite the global slowdown, India's economic growth rate is stronger than in many peer economies and reflects relatively robust domestic consumption and lesser dependence on global demand. The Government of India's strong infrastructure push, improving labour market conditions and consumer confidence will drive growth. Inflation will likely moderate to 5% in 2023 assuming moderation in oil and food prices, and slow further to 4.5% in FY 2024 as inflationary pressures subside. However, geopolitical tensions and weather-related shocks are key risks to India's economic outlook.

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

Indian economy growth rate is stronger among the global peers



Management Discussion and Analysis

Brazil

Brazil had a fragile growth before the pandemic, as it was still recovering from the severe recession in 2015-16. While the government was on track to rebound the economy, the COVID-19 pandemic has halted growth and left Brazil with one of the highest global death tolls. A rapid vaccine rollout programme and implementation of the government measures to counteract the resulting economic crisis contributed to a return to relative normality. As of March 30, 2023, 85% of Brazilians had received at least one dose of the vaccine, and 77% had received two.

The economy grew stronger in 2021 with GDP expansion of 5%. However, inflation which reached 9.4% in 2022, along with high level of social spending, among other factors mitigated the recovery in 2022. Overall, GDP grew 2.9% last year, driven by household consumption, private investment, and export. The labour market recovery continued, as unemployment dropped to 7.9% by December 2022 – the lowest since 2015.

Outlook

The economic growth is likely to be slow in Brazil due to its large public debt, higher social welfare spending and subdued global demand. Together, these factors are likely to depress private consumptions, export, and investments. IMF projects the economy to grow by 0.9% and 1.5% in 2023 and 2024 respectively.

Looking forward Brazil political dynamics remain a key area to monitor in South America's largest economy. The widening fiscal deficit and the heavy debt burden continued to be the most severe issues for Brazil and returning to a path of fiscal consolidation will be Brazil primary challenge.

The recent reforms in the infrastructure sector, together with the federal administration's renewed interest in the climate agenda, provide sound opportunities for Brazil's green recovery and for lifting millions of Brazilians out of poverty. However, Brazil has yet to develop an integrated long-term national strategy to achieve its climate goals.

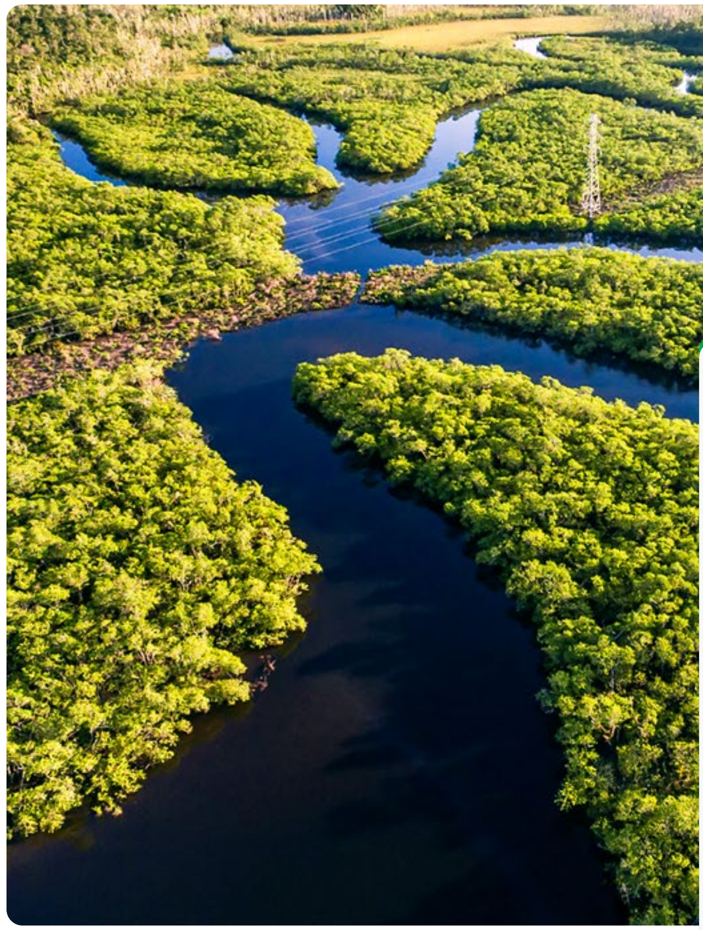
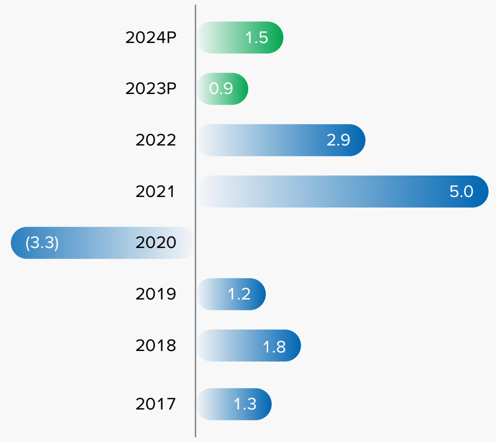


Chart 3: Historic GDP growth in Brazil and growth projections

Growth is expected to be slow in 2023 and 2024



Industry

Global

The global policy support and increasing competitiveness of clean energy technologies continues to accelerate the energy transition.

In 2022, According to BNEF, global energy transition investment totalled US$ 1.1 trillion up from 31% in 2021 and the first time the figures has been measured in trillions. Renewables energy remained the largest sector with US$ 495 billion of investment (up 17% y-o-y). While the inflation and supply chain disruption have posed challenges, they do not appear to have put a meaningful dent in the speed of the transition.

The strongest engine of the global energy transition is electrification, expanding in all regions and almost all sectors. Electricity becomes the "new oil" in terms of its dominance of final consumptions by 2050. As per IEA, the share of electricity is expected to reach more than 50% by 2050 a significant rise from current 20% share. Hydrogen also takes off after 2030 and expected to account for 10% of total final consumption by 2050.

US$ 1.1 trillion

Global energy transition investment in 2022

US$ 495 billion

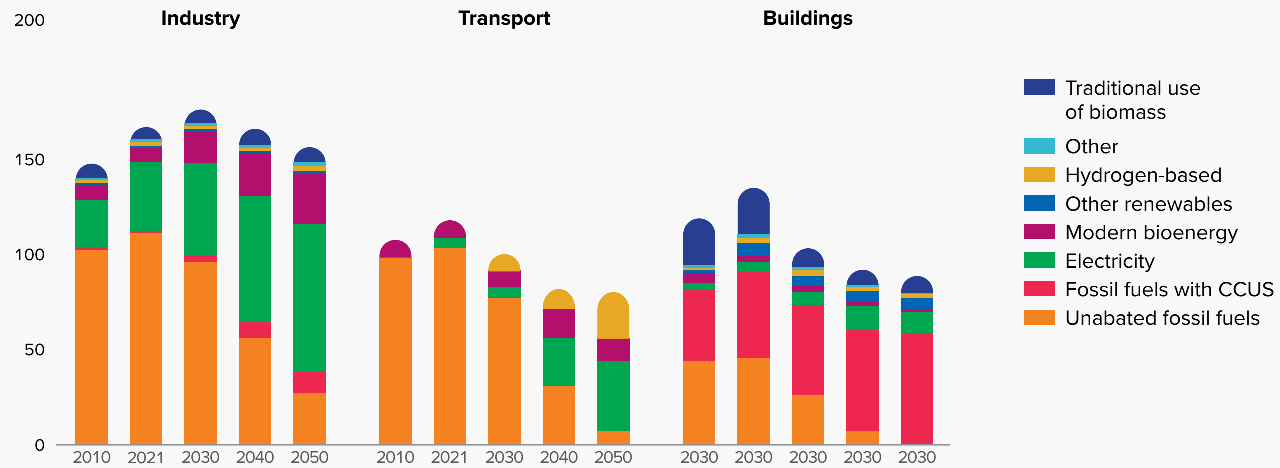
Global investment in Renewable Energy in 2022

~31%

Year on year increase in energy transition investment

Chart 4: Final energy consumption by sector in the IEA Net Zero Scenario (2010-2050) – (Exajoule)

Dominated by electricity, with provides 50% of total final consumption by 2050



Note: Other renewables include solar thermal and geothermal used directly in end-use sectors.

Management Discussion and Analysis

Chart 5: Annual capacity addition for coal (GW)

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

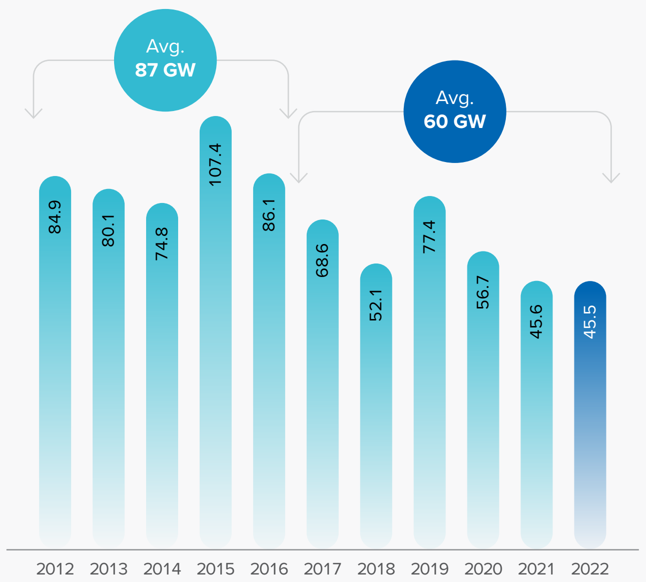
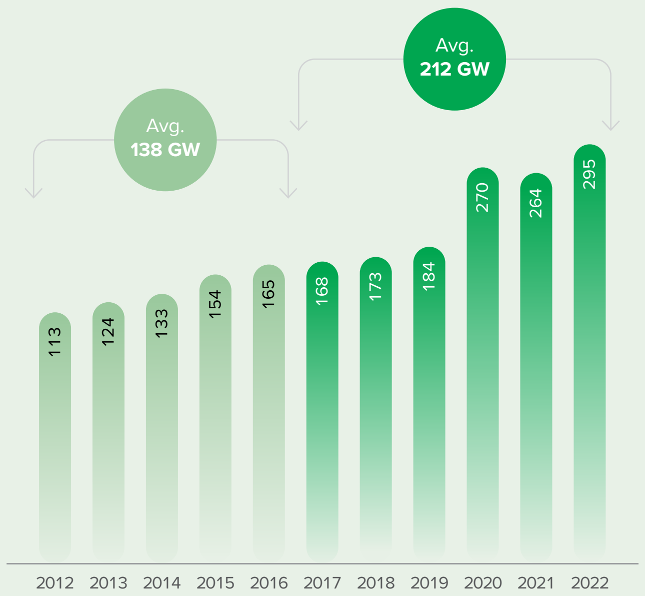


Chart 6: Annual capacity addition for renewables (GW)

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



The growth in renewable electricity generation has been consistent and fast enough to outpace the contribution of fossil fuels for power in the long-term. While the recent energy crisis (due to Russia's invasion of Ukraine) pushes up the higher utilisation of coal-fired assets, however these political and market responses are a short-term blip and will not prevent thermal coal's decline in the medium to long term.

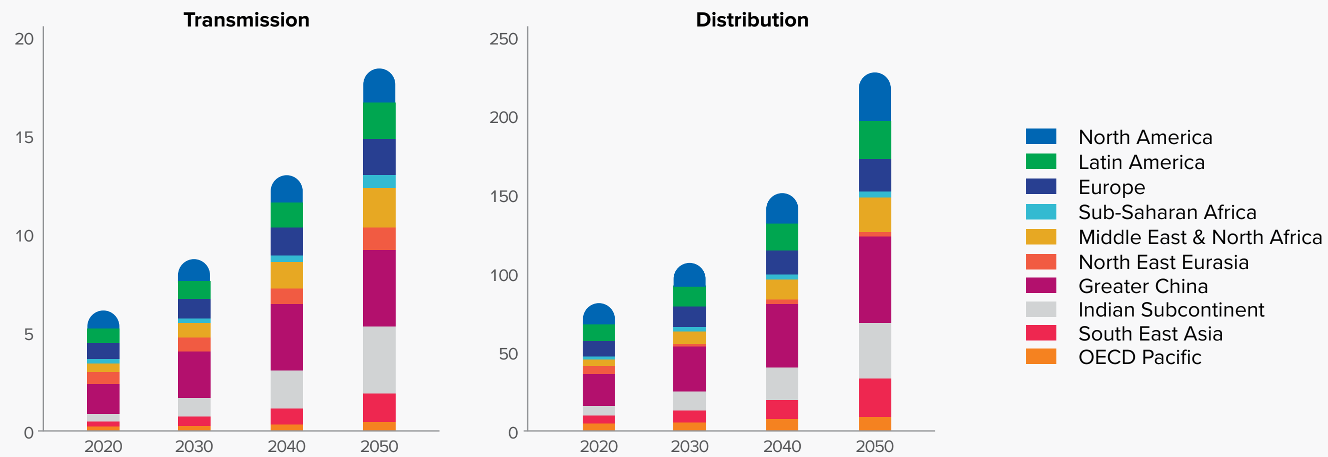
Between 2012 and 2016, the average new coal fired power plant capacity added per annum was close to 87 GW, which declined to ~60 GW in the 2017-21 period. In 2022, only 45 GW of such new capacity was added. By contrast, on average 138 GW renewable capacity was added between 2012-16 which increased to an annual average of over 212 GW between 2017 and 2021. In 2022, the renewable energy additions were 295 GW higher than the previous year, which shows the resilience of renewable energy amidst the lingering energy crisis. As per IEA World Energy Outlook, investments in clean energy is projected to triple by 2030 from the current level in its Net Zero scenario.

Further, to accelerate the electrification, more grid connections will be needed. Investment in world grid would reach levels of US$ 500 billion/year in 2030s and growing up to US$ 1 trillion/year by 2050s from the 2022 levels of ~US$ 274 billion/year, according to DNV Energy Transition report. The growth in the grid investments would be driven by accelerating integration of renewables, grid modernisation to improve resilience and reliability and digital transformation.

Chart 7: World Transmission and Distribution Power line length by region

Transmission and Distribution lines will almost triple by 2050

Units: million circuit-km



Source: DNV Energy Transition Outlook 2022 report.

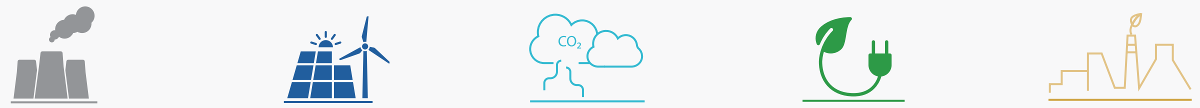
As per the DNV Energy Transition Report, it is forecasted that world transmission lines will increase from ~6 million ckm in 2020 to almost 18.5 million ckm by 2050. Distribution lines will almost triple from 2020 to 2050, reaching about 230 million ckm globally, from 80 million ckm. The Indian Subcontinent and Greater China would have the larger share of the T&D line expansion.

Management Discussion and Analysis

India

Overview

Power sector is a critical component of infrastructure and crucial for economic growth and welfare of a country. The Indian power industry has been focused on providing universal access to affordable power in a sustainable way. In recent years, India has made significant efforts to evolve the industry and turn the country from one with a power shortage to one with a surplus including creating a single national grid and achieving a universal household electrification. India's power sector is most diversified in the world with higher dependency on conventional sources, however the country is moving towards clean energy – in line with the global energy transition and decarbonisation efforts. Hon. Prime Minister's announcement at COP 26 summit has set a framework towards the same. Further, India holds the presidency of G20 in 2023 and might leverage its role to make some bold announcements affecting energy transition.



Raise non-fossil fuel capacity to 500 GW

Meet 50% requirement from RE by 2030

Reduce carbon emission by 1 Bn tonnes by 2030

Reduce 45% carbon intensity by 2030

Achieve Net Zero by 2070

The electricity demand in India is experiencing a strong growth, as per the IEA World Energy Outlook Report 2022, India is expected to witness largest increase in energy demand of any country. In FY 2023, electricity demand grew by 9.5%, driven by a combination of continued economic recovery after the COVID-19 slowdown and peak summer temperatures.

To achieve the growing power and energy demand in sustainable manner, India is taking actions for deployment of renewable energy capacity and related infrastructure. The Government of India came up with Green Hydrogen Policy in Feb 2022 and National Green Hydrogen Mission in January 2023, which would add up to the Renewables power demand from industries producing Green Hydrogen and Green Ammonia using power from renewable Energy (RE) resources. The government also established a plan under its report titled 'Transmission System for Integration of over 500 MW RE Capacity by 2030' for the integration of the additional capacity within the transmission grid that includes grid expansions and additional storage capacity. For the expansion of large-scale grid-connected solar and wind projects, the waiver of inter-state transmission system charges for solar and wind projects has been extended for projects scheduled for installation until 30 June 2025, and a phased waiver has been proposed up to 2030. The Green Energy Corridor scheme has also been implemented to expand the existing infrastructure and cater to the transmission requirements of new renewable energy installations.

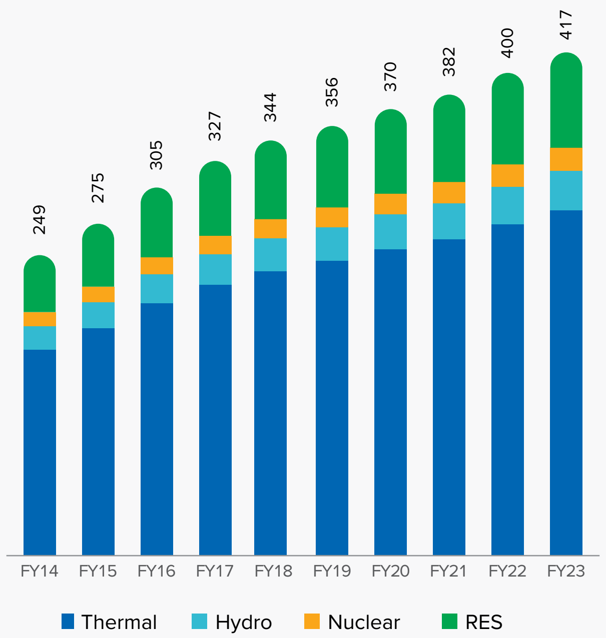
Further, India's power transmission infrastructure needs to be future-ready to handle the increasing electricity demand and data traffic. The government's thrust on Digital India resulting in a strong growth in data consumption. The power transmission infrastructure is being leveraged as a carrier to transmit the data using the OPGW fibres on them. With advantages like greater bandwidth and faster data transfer rates, OPGW is particularly important for India which has emerged as the world's largest and fastest-growing market for digital technologies and services.

Generation

India is persistent in its commitment towards non-fossil fuel energy sources. India's installed renewables capacity touched ~125 GW of mark in FY 2023, which is over 30% of the country's total installed generation capacity of 417 GW during FY 2023. Despite the headwinds from the macroeconomic factors, high commodity prices and supply chain crunch, investors' confidence in the country's renewables sector remains strong. Funds raised from all sources by India's clean energy activities reached ~US$ 20 billion in 2022 (Jan – Dec), investment for building new renewable power projects took the lion share with US$ 11.4 billion. M&A activity remained high with foreign investors continue to take an interest in the India renewable sector and domestic power producers pursuing aggressive acquisitions strategies (assets as well as companies).

Chart 8: Absolute annual capacity addition by source in previous decade

Annual addition of renewable capacity outpacing other energy sources



Source : Annual reports of Ministry of Power, India

On the flip side, the retirement of coal plants has lagged over the years with ~14 GW capacity initially scheduled for closure over the 2017-2022 period still in operation and used for balancing purposes. Further, the recent amendment at the policy level advising utilities to not retire coal-fired power plants till 2030 due to a surge in electricity demand, might impact the rate of growth in new renewables addition in the short term.

However, India is already a global leader in construction of wind and solar power, its auction and tender programmes are among the world's most successful and have helped it build subsidy-free renewable energy capacity with some of the lowest costs. The global trend of declining installation of fossil fuel-based capacity is visible in India as well. Further, India's rising population and surging power demand present a rich opportunity for clean energy deployment and it is projected that country's renewable-based installed capacity would contribute about 50% of total installed generation capacity by FY 2028.

Transmission

Transmission system plays a vital link between the generation and distribution of power. The unevenly distributed energy sources and the rapid growth of renewable power necessitates the robust development of transmission system for seamless transfer of power from surplus to deficit regions.

Unlike conventional thermal capacity, which requires 4-6 years for commissioning, renewables require ~2 years to develop. Consequently, pace of transmission build-out will require expediting to keep pace with the growing renewable mix. In line with this, In December 2022, the government launched a plan for building a transmission system for evacuating 500 Gigawatts (GW) of non-fossil-based energy by 2030. The transmission schemes have been planned considering energy storage to meet the requirement of round-the-clock (RTC) power. It has been estimated that 50,890 ckt. km and 433,575 MVA is the additional requirement of transmission lines and substation capacity respectively, planned under the ISTS for integrating additional wind and solar capacity by 2030. The plan provides transmission service providers with investment opportunities of about ₹ 2.44 lakh crore.

14,625

Ckms transmission line added in FY23

75,902

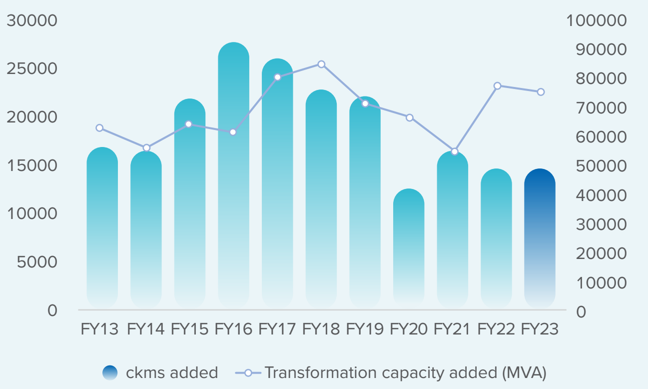
MVA of transformation capacity added in FY23

Management Discussion and Analysis

In FY 2023, India added 14,625 ckm of transmission lines. Private sector entities put up an impressive performance in FY 2023, due to ISTS schemes under the TBCB route. Private sector added 3,883 ckm of transmission lines during the year, which is the highest annual achievement in recent years.

Chart 9: Annual addition to transmission infrastructure-line length and transformation capacity

India has consistently added ~15,000 ckm annually since FY13



Source: Central Electricity Authority (CEA)

The Indian power transmission segment has grown significantly over the years and is now set for another phase of accelerated growth with the industry expecting the government to invite bids for power transmission projects worth ₹ 1.50 lakh crore in the next 18 months. As per the recent the CTU's ISTS Rolling Plan 2027-28. Cumulatively, 41,255 ckm of transmission lines and transformation capacity of 3,84,925 MVA at estimated cost of ₹ 2,23,954 crores is expected to be added in the grid by 2027-28.

Since the projects are typically awarded through the competitive bidding process, the level of competition among players is intense. In addition, the new technologies, such as HVDC transmission lines, smart grids and digitalisation is driving the competition in the market, as companies compete to offer the latest and most advanced solutions.

Off late, private sector has been steadily expanding its share in the overall grid length. The private sector growth in the transmission network has been outpacing the growth in the centre and state transmission. Further, the government's interest to monetise transmission assets of the state government-owned transmission undertakings and central public sector undertakings would infuse the private capital in the sector.

Table 1: Sector-wise growth in transmission build-out in India over the years

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

Distribution

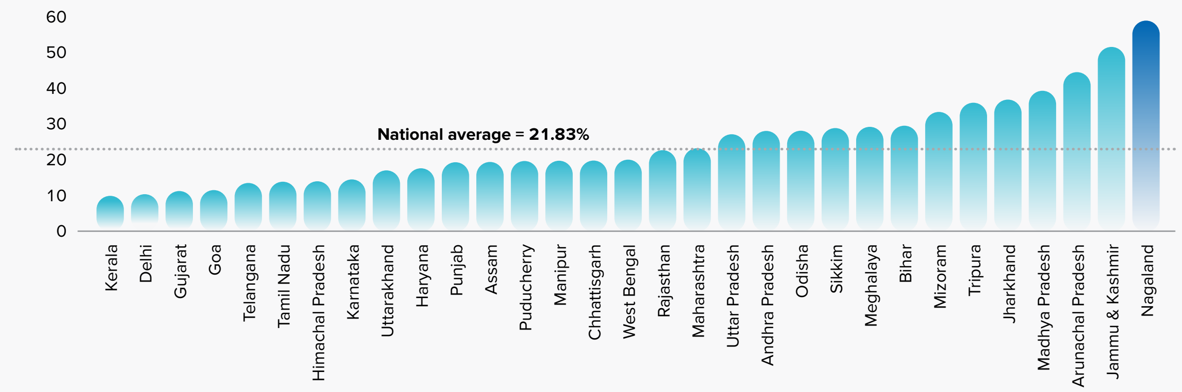
Distribution is the interface between utilities and consumer and the most important link in the entire power sector value chain. However, the sector continues to make major losses because of expensive long-term power purchase agreements, poor infrastructure, and inefficient operations, among others.

The average AT&C losses for distribution companies in FY 2020 and FY 2021 was hovering around 20%-22%. Ministry of Power instituted number of measures to improve the performance of utilities as a result the AT&C losses of DISCOMs have declined significantly. The preliminary analysis of data for FY 2022 indicates that AT&C losses have declined to ~17% in FY 2022 from ~22% in FY 2021. AT&C losses reflects DISCOMs efficiency in recovering the cost of supplying electricity and their abilities to pay to the GENCOs.

The recent Electricity (Amendment) Bill, 2022 is a step towards bringing significant changes in power distribution sector. The bill pushes the private investments in the sector, which will allow competition in the distribution segment. The Government of India has also approved the distribution Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability. The objective of the scheme is to reduce AT&C losses to the pan India levels of 12%-15% by 2024-25 and to completely negate ACS-ARR gap by 2024-25.

Chart 10: State-wise AT&C losses in India in FY21

Average losses in Indian DISCOMs remain high, however measures are being implemented to improve the performance



Management Discussion and Analysis

Power Exchanges

A power exchange is a power trading platform. It is a system that enables power purchases through bids to buy and sales through offers to sell. Currently, there are three power exchanges in India, Indian Energy Exchange (IEX), Power Exchange of India Limited (PXIL) and recently added Hindustan Power Exchange Ltd (HPX) which facilitate platform for physical delivery of electricity and discover optimised price for electricity.

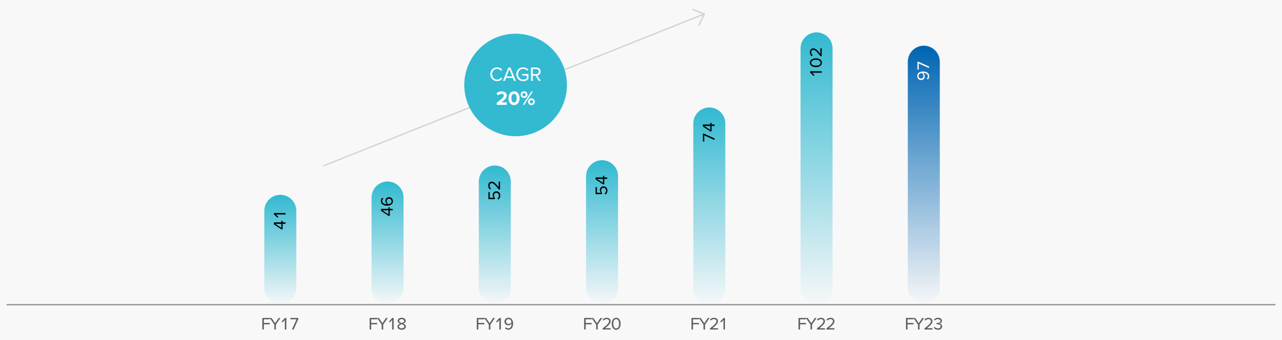
At present, the India's power exchange constitutes ~8% of the total annual electricity consumption, which is expected to increase significantly in the coming year. Further, the high targets set by the government for renewables capacity addition would amplify the growth in spot market.

Globally, power exchanges have played a key role in reducing cost of renewable energy integration and managing the intermittencies of renewables by efficiently integrating them with conventional power and matching demand and supply.

For FY 2023, IEX traded 96.8 BU, a degrowth of 5% y-o-y basis. The decline in the electricity volume was on the back of power supply related constraints, which led to the price increasing by 35% on y-o-y basis. While high temperatures and increased demand are expected in the coming months, supply side liquidity should improve due to the various conducive policy and regulatory initiatives announced by the government to increase coal and gas-based generation, thereby reducing the recent surge in prices on the exchanges.

Chart 11: Electricity volume traded at IEX (BU)

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



Brazil

Overview

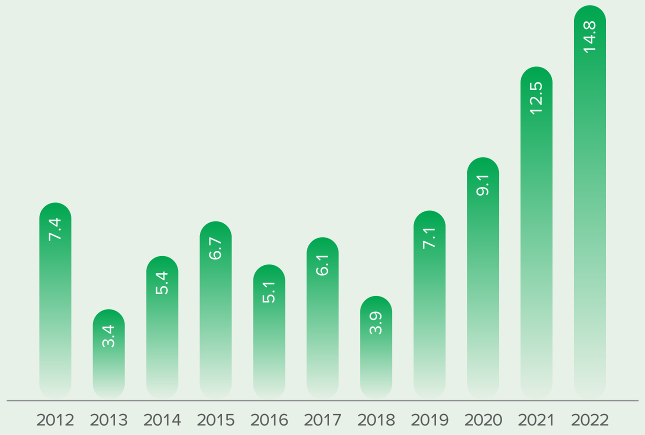
Brazil is the largest electricity market in Latin America and has the seventh largest electricity generation capacity in the world. Despite the recovery from COVID-19 pandemic, Brazil electricity demand in 2022 increased slightly by 0.3% y-o-y, however it is expected to rise by ~2% per year in 2023-2025 period. Electricity generation from hydropower rebounded in 2022 with a y-o-y increase of ~17% after the country's most severe drought in 90 years.

Brazil power sector remains highly reliant on hydro which accounts for more than 60% of total installed capacity. The country is now seeking to diversify its electricity production by expanding solar, wind, biomass, natural gas, and nuclear energy. Recently, wind has supplanted natural gas as the second largest source of power with ~12% and utility-scale solar accounts for only 3%. The National Energy Plan targets 45% of renewable capacity by 2050. According to BNEF, new clean energy investment in Brazil reached US$ 14.8 billion last year, an increase of 18% y-o-y.

The country is also laying the groundwork for offshore wind along with the R&D efforts in new clean technologies areas, such as green hydrogen. A total of ~170 GW of offshore wind farm projects are already under review in Brazil.

Chart 12: Brazil new clean energy investment (US$ Bn)

Clean energy investment remains strong, defying economic headwinds



Transmission

The shift in the energy mix requires a strong growth in power transmission network. As per the Decennial Energy Expansion Plan 2021-2031, the transmission system is expected to increase from 175,200 km of lines to 208,900 km and from 421,900 MVA to 539,000 MVA in transformation capacity by 2031. The report forecasts total investment of BRL 101 billion (US$ 20 billion) in the transmission expansion plan by 2031, including BRL 51.8 (US$ 10 billion) of projects already granted. Further, it highlights the challenges of country's ageing electrical system and a need to replace them. By 2031, BRL56 billion (US$ 11 billion) has been forecasted to be needed in assets at the end of their regulatory useful life.

Recently, Minister of Mines and Energy has presented Electricity Transmission Grants Plan (POTEE) to invest BRL 56 billion (US$ 11 billion) for the construction of power transmission, predominantly to integrate renewables energy, in the northeast region.

The government intends to open three auctions this year, starting with one for BRL 16 billion (US$ 3 billion) in the first half of the year for the construction of 6,184 km of transmission lines and modernisation of several existing substations, followed by another for BRL 20 billion (US$ 4 billion) by the end of the year for the construction and maintenance of 4,471 km of transmission line and two substations. The remaining BRL 20 billion (US$ 4 billion) will be scheduled for 2024. The plan is expected to enable 30 GW of renewables installations and unlock ~BRL 120 billion (US$ 24 billion) in private investment. The auctions scheduled in 2023 are among the largest in terms of the value and is in line with the energy transition ambitions of Brazil.

19%

Growth in transmission line length expected up to 2031

25%

Growth in transformation capacity expected up to 2031

Management Discussion and Analysis

Enablers for Investment in Transmission

Diversifying End Uses of Electricity

The push for green energy does not singularly entail the shift to clean power generation for electricity. It is being further augmented by electrification of transportation. As per DV Energy Transition report 2022, 78% 6 of all vehicles worldwide will be electric (EVs) by 2050, which is bound to create a further fillip for investment in power grids to make them more resilient. In addition to EVs, electrification of cooking, heating, heavy machinery, and equipment will further augment this demand. As this enhances pressure on the grid network of densely populated cities, upgrade and uprate of existing grid infrastructure would be necessary to save on space.

Increasing Impetus on Digital Economy

With the enhanced push for digitalisation and exceptional growth of data consumption-driven by ongoing 4G to 5G adoption and new use cases in diverse industry verticals there is an innate need of data connectivity across the country. As per the MBiT report released by Nokia, data traffic in India grew 3.2x in last five years. This creates a case for creation of a dense optical fibre network. For a country like India, where the population density is high and RoW issues severe, transmission assets can be uniquely leveraged to transmit data using OPGW fibres on them.

Reforms for Intra-state Transmission in India

The government's push for rural electrification and the consumer switch from sources such as diesel generators and other alternate sources will create an additional case for investment in intra-state transmission lines. Additionally, grid upgrades are necessary to combat high transmission losses to ensure efficient energy delivery. As per the CEAS estimates, RE capacity of 7 GW to be integrated to the intra-state transmission system under Green Energy Corridor - I (GEC-I) scheme, RE capacity of 19 GW to be integrated to the intra-state transmission system under Green Energy Corridor - II (GEC-II) scheme by 2030 in India.

Grid Upgrades of Ageing Infrastructure

Until recently, much of the focus has been on power generation. However, with ageing transmission and distribution systems, now it is time for utilities and the government to enhance efforts on modernising the grid. Ageing transmission infrastructure is a major risk factor for utilities as it is not designed to take up the increasing demand and the erratic nature of supply that gets absorbed in the system because of connecting intermittent sources of supply such as wind and solar. As per BNEF, of the US$ 13.4 trillion envisaged in grid investment up to 2050, 31% or US$ 4.1 trillion is sustain capital to replace ageing assets.

Increasing Scope for Private Participation in Transmission

Private participation in transmission segment still lags the generation segment. In many countries, transmission lines have remained largely public. However, as these countries embark on energy transition journey, they require large investments that will make PPP critical to facilitate private investment. As a result, several nations are proposing PPP in transmission, opening more markets for private players. The recent Inflation Reduction Act (IRA) and Infrastructure Investment and Jobs Act (ILJA) in the US allocated US$ 29 billion of funding to initiatives related to power grid which is expected to draw in private investment in the sector.

Cross-border Interconnection

The growing impetus on regional energy collaboration among nations is a driving factor for transmission system expansion through cross-border interconnections. Power can be supplied from nations witnessing lower power load at a given time to nations that are power deficient as the demand peaks during the day. Cross-country transmission lines need to be built to support the cross-country electricity trade. Currently, India is making efforts on setting up an intercontinental grid, in line with India's 'One Sun, One Word, One Grid' initiative.

The Push for Atmanirbhar Bharat and the Pull from Increasing Demand

India is currently experiencing significant economic growth and population expansion which has led to increasing demand for energy. As the per capita income of the country increases, the depth of access to electronic equipment to follow, thereby diversifying the centres of extensive power consumption. Additionally, the industrialisation expected to result from the government's push promote indigenous manufacturing and production will further propel growth. Investment in greenfield and brownfield transmission projects will become imperative to support this demand.

Growing Momentum of Renewables and Decarbonisation

The global momentum towards renewables and decarbonisation has strengthened more than ever. Most of the countries have already announced their plans to transform their energy mix, for instance the UK and the US target to become Net Zero by 2050. India chases an ambitious target to install 500 GW of cumulative non-fossil fuel capacity. However, the pace and path of energy transition depends on electricity grid. There is an urgent need to develop a robust grid to integrate the renewable energy. As per BNEF, at least US$ 13.4 trillion needs to be invested in electricity grids by 2050 to support a global economic transition scenario.

Directors' Report

To,
The Members,
Sterlite Power Transmission Limited

Your Directors are pleased to present the 8th Annual Report on the business and operations of the Company along with the audited financial statements of the Company for the financial year ended March 31, 2023 **(FY'2023)**.

1. FINANCIAL SUMMARY/HIGHLIGHTS

The financial performance of the Company for FY'2023, is summarised below:

(₹ Million)

Summary of Key Financial Parameters	Standalone		Consolidated	
Description	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from operations	39,235.14	37,973.84	62,970.68	51,974.83
EBITDA	**5,579.04**	**3,655.15**	**11,497.28**	**13,538.29**
Less: Finance cost (net of finance income)	877.83	270.29	5,966.46	3,372.16
Less: Depreciation/Amortisation/Impairment Expense	438.40	390.65	1,058.04	803.56
Share of Profit/ (loss) of Associate	0	0	(2,168.87)	(2,675.60)
Exceptional item	0	(117.00)	0	(117.00)
Profit Before Tax (PBT)	**4,262.81**	**2,877.21**	**2,303.91**	**6,569.97**
Less: Tax expense	1,042.70	411.43	2,631.23	2,168.55
Profit After Tax (PAT) (A)	**3,220.11**	**2,465.78**	**(327.32)**	**4,401.42**
Other Comprehensive Income/ (loss) (OCI) (B)	(4,629.36)	3,413.39	(1,742.65)	5,218.15
Total Comprehensive Income/ (loss) (A+B)	**(1,409.25)**	**5,879.17**	**(2,069.97)**	**9,619.57**

2. PERFORMANCE

Standalone	Consolidated
FY'2023 closed with Revenues of ₹ 39,235.14 million, EBITDA of ₹ 5,579.04 million, PAT of ₹ 3,220.11 million.	FY'2023 closed with Revenues of ₹ 62,970.68 million, EBITDA of ₹ 11,497.28 million, PAT of ₹ (327.32) million.

3. BUSINESS OPERATIONS

Highlights of the business operations and state of affairs for the FY'2023 of your Company, including the key performance indicators, key milestones, technology leadership, business overview, economic overview, and industry trends with respect to your Company and its subsidiaries, wherever applicable, forms part of this Annual Report in the section of Corporate Overview and Management Discussion and Analysis Report.

4. KEY EVENTS DURING FY'2023

a. **Issuance of Non-Convertible Debentures to Sterlite Grid 16 Limited, a wholly owned subsidiary, for an amount of up to ₹ 2,500 million**

During FY'2023, your Company issued unsecured, unlisted, redeemable, Non-Convertible Debentures (**"NCDs"**) to Sterlite Grid 16 Limited, a wholly owned subsidiary for an amount of ₹ 2,500 million on private placement basis to augment fund requirements of your Company. The details of NCDs issued are as under:

Date of approval of the Board of directors	April 21, 2022
Date of allotment	May 18, 2022
No. of Securities	2,500 NCDs
Face Value	₹ 10,00,000 per NCDs
Issue Price	At par
Tenor	17 month & 25 days
Coupon	14.50% p.a. (determined on arm's length basis)
Purpose	To infuse funds in the Under Construction Projects and/or towards equity infusion or towards other corporate expenses

Further, on March 3, 2023, your Company had redeemed 750 nos. of NCDs of ₹ 10,00,000/- each aggregating to an amount of ₹ 750 million. As on March 31, 2023, 1,750 nos. of NCDs of ₹ 10,00,000/- each aggregating to an amount of ₹ 1,750 million are outstanding.

b. **Acquisition of stake in the following wholly owned subsidiaries:**

i. **Sterlite Interlinks Limited**

Sterlite Interlinks Limited is in the business of telecom infrastructure solutions company *(Infrastructure Provider (IP) – I, registration bearing no. 839/2018 dated May 31, 2018, issued by the Department of Telecommunications, Government of India)* that specialises in acquiring Right of Way (RoW) over passive fiber infrastructure assets from various State Transmission Utilities (STUs) for monetisation and leasing them to Internet Service Providers (ISPs) and Telecom Service Providers (TSPs). In October'2021, the Ministry of Commerce & Industry, Government of India issued a notification to allow 100% Foreign Direct Investment under 'Automatic route' in Telecom Infrastructure.

On June 01, 2022, to capitalise on the surge in requirement of utility grade OPGW based fibre infrastructure, your Company acquired additional 51% being 5,100 equity shares of Sterlite Interlinks Limited from PTC Cables Pvt Ltd for a total purchase consideration of ₹ 13.36 million. Sterlite Interlinks Limited has become wholly owned subsidiary w.e.f. June 01, 2022.

ii. **Kishtwar Transmission Limited**

Kishtwar Transmission Limited, a Special Purpose Vehicle (**'SPV'**) houses a transmission project for setting up transmission system for evacuation of 1000MW of power from Pakaldul Hydro – Electric Plant in Chenab Valley, Jammu & Kashmir *(hereinafter referred to as **'Kishtwar Project'**)*. Kishtwar project will unlock the untapped hydro potential of Jammu & Kashmir to the tune of 20,000MW. In addition, the project will evacuate 2,000MW of power from the Pakaldul HydroElectric Project to the Kishtwar substation. This project will involve the construction of a robust transmission system, which includes a 400/132kV GIS substation located in Kishtwar and a 400kV transmission line connecting Kishenpur to Dulhasti. In addition to augmenting the power flow capacity, this transmission system will also alleviate congestion in the downstream networks within the region, consequently, enhancing the quality and reliability of power flow in the Kashmir valley, benefiting the local communities, and improving the overall electricity infrastructure in the area.

Your Company participated in the tariff based competitive bidding for the Kishtwar Project through Sterlite Grid 24 Limited, a wholly owned subsidiary and emerged as a successful bidder.

Your Company has successfully acquired the SPV from PFC Consulting Limited, on December 06, 2022.

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

Adopting a progressive approach from a long-term perspective for retention and value creation for your Company, its shareholders and the employees, the Board and the Members/Shareholders of the Company had approved Restricted Stock Unit Scheme Plan – 2022 *(hereinafter referred to as '**RSU Plan – 2022**')* for key employees of the Company. The approval of the Shareholders on the RSU Scheme was obtained on July 06, 2022. Your Company believes that this scheme will provide an opportunity to the employees to partner in the growth of the Organisation as a shareholder.

Under the RSU Plan – 2022, your Company will create, offer and grant from time to time, in one or more tranches, the number of Restricted Stock Unit (**'RSUs'**) not exceeding 1% (One percent) of the paid-up equity share capital of the Company at the time of grant of such RSUs. The RSUs will be granted to the permanent employees and Directors of the Company, whether whole time or otherwise, whether working in India or outside India (except Promoter, Promoter Group, Independent Directors and Directors holding more than 10% of the outstanding equity shares of the Company, if any, through themselves or through their relatives or through any body corporate, directly or indirectly), as may be decided by the RSU Committee under the RSU Plan – 2022. However, the aggregate number of equity shares to be issued upon exercise was originally limited to 6,11,819 equity shares.

Your Board of Directors had proposed issue of Bonus equity shares to the holder of existing equity shares of the Company at the 7th Annual General Meeting. Consequent to the Bonus issue approved by the Shareholders, such RSUs was increased from 6,11,819 to 12,23,638 equity shares, without affecting any other rights or obligations of the RSU grantees and without requiring any further action/ approval of the Members/ Shareholders.

Under RSU Plan – 2022, 30% of the RSUs granted have a vesting period of 1 (One) year from the date of grant of such RSUs. Accordingly, 30% of the Grant vested to the employees in July'2023.

d. **Amendment to the Joint Venture Agreement executed with Maharashtra State Electricity Transmission Company Limited (MSETCL) to extend the scope of operations and tenure of the Joint Venture Agreement**

Your Company had entered into a joint venture (**'JV'**) agreement with Maharashtra State Electricity Transmission Company Limited (**'MSETCL'**), a government company for the purpose of build and monetisation of OPGW fibre for 3,301 Kms to be executed by Maharashtra Transmission Communication Infrastructure Limited (**'MTCIL'**), the JV Company. In furtherance to such JV, MTCIL has built a OPGW network of 3,537 Kms on EHV transmission line of MSETCL PAN Maharashtra and the transmission line is operational. During FY'2023, your Company entered into an Amendment agreement with MSETCL for extension of scope of the joint venture agreement by additional 2,000 Kms and the period of joint venture agreement by 6 years, i.e. till 2040.

Subsequent to execution of the Amendment Agreement, your Company has total scope of OPGW network of 5,301 Kms and the Joint Venture Agreement is valid till 2040.

e. **Issue of Bonus shares**

Pursuant to the provisions of Section 63 of the Companies Act, 2013 and other applicable provisions, if any, including Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with the Articles of Association of the Company and pursuant to the approval of the Members/ Shareholders of the Company and also subject to such consents and approvals as may be required from the appropriate authorities/Government, your Directors proposed to capitalise a sum of ₹ 12,23,63,804 (Indian Rupees Twelve Crores Twenty-Three Lakhs Sixty-Three Thousand Eight Hundred Four only) out of free reserves, securities premium account and/ or capital redemption reserve account (except the reserves created by revaluation of assets), by issue and allotment of 6,11,81,902 (Six Crores Eleven Lakhs Eighty-One Thousand Nine Hundred Two) fully paid-up equity shares having face value of ₹ 2/- each as bonus shares (**"Bonus Shares"**) to the holders of existing fully paid-up equity shares having face value of ₹ 2/- each of the Company, whose names appeared in the Register of Members / Beneficial Owners' Position of the Company as on the Record date ('October 05, 2022'), as fixed by the Board of Directors for this purpose, in the proportion of 1:1, that is 1 (One) new bonus equity share of ₹ 2/- each for every 1 (One) existing fully paid-up equity share of ₹ 2/- each held by the existing shareholders, and the Bonus Shares so allotted shall be treated as an increase in the paid up equity share capital of the Company held by each such member and not as income in lieu of dividend. The Bonus Shares issued and allotted rank pari-passu in all respects with existing equity shares and carry the same rights as the existing fully paid equity shares of the Company.

Such Bonus Shares were allotted to the eligible shareholders on October 20, 2022.

f. **Withdrawal of Draft Red Herring Prospectus (DRHP) dated August 16, 2021, filed with Securities and Exchange Board of India ('SEBI')**
In the financial year 2021-22, to fund the growth strategy/ plans, your Company initiated the process of launching an Initial Public Offer through a fresh issuance of the equity shares of face value of ₹ 2/- each and to list the equity shares on one or more of the recognised Stock Exchanges in India for an issue size of ₹ 12,500 million *(hereinafter referred to as an **'Proposed Issue'**)*. The Board of directors and the Members/Shareholders accorded their approval for the Proposed Issue on July 02, 2021, and August 01, 2021, respectively.

Post approval of the Board of directors, and Members/ Shareholders, the Draft Offer document was filed with Securities and Exchange Board of India (**'SEBI'**) on August 16, 2021, and the final observations of SEBI on the Draft Offer document were received vide its letter dated December 02, 2021. Pursuant to the letter of SEBI dated December 02, 2021, the Proposed Issue could be opened for subscription within a period of twelve months from the date of issuance of the final observations by SEBI i.e., December 01, 2022.

However, considering the prevailing market scenario during FY'2023, the Management proposed to withdraw the Proposed Issue and reconsider undertaking an initial public offer of its securities in the near future, subject to suitable market conditions, receipt of requisite approvals and other considerations. The Board of directors accorded its approval to withdraw the DRHP on September 27, 2022, and the intimation of the same was sent to SEBI on September 28, 2022.

g. **Disinvestment in Khargone Transmission Limited**
Sterlite Power entered into a marquee deal with India Grid Trust for sale of its commissioned project thereby transfering Khargone Transmission Limited to India Grid Trust.

5. DIRECTORS

The Board of Directors of the Company is validly constituted and as on March 31, 2023, comprised of 6 Directors:

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

Notes:
[1]Mr. Pratik Pravin Agarwal was re-appointed as Managing Director w.e.f. June 01, 2021, for a term of 3 (Three) years.
[2]Mr. Manish Agrawal was re-appointed as Whole Time Director w.e.f. December 17, 2022, for a term of 2 (Two) years.
[3]Ms. Kamaljeet Kaur was appointed as Whole Time Director w.e.f. June 29, 2022, for a term of 1 (one) year. Accordingly, from the closing hours of business of the Company on June 28, 2023, she has vacated the position of Director and Whole Time Director.

Changes during FY'2023, are as under:

i. Mr. Pratik Pravin Agarwal, Managing Director being a director liable to retire by rotation, and being eligible, was re-appointed as a director liable to retire by rotation in the Annual General Meeting held on September 26, 2022.

ii. Mr. Manish Agrawal was re-appointed as Whole Time Director (Executive, Professional) effective December 17, 2022, upon the recommendation of the Nomination and Remuneration Committee for a period of two years up to December 16, 2024. Pursuant to the provisions of the Companies Act, 2013, such re-appointment as the Whole Time Director is being placed before the shareholders for approval in the ensuing Annual General Meeting.

iii. Ms. Kamaljeet Kaur was appointed as an Additional Director (Women Director, Executive, Professional) effective June 29, 2022, upon the recommendation of the Nomination and Remuneration Committee. She was also appointed as a Whole Time Director, for a period of one year i.e. up to June 28, 2023, and her appointment as the Whole Time Director was approved by the Shareholders in the 7th Annual General Meeting held on September 26, 2022. Pursuant to the provisions of the Companies Act, 2013, read with the terms of appointment, from the closing hours of business of the Company on June 28, 2023, she has vacated the position of the Director and Whole Time Director.

iv. Mr. Pravin Agarwal, Chairman will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment, pursuant to Section 152 of the Companies Act, 2013. Details of the aforesaid proposal for re-appointment of Mr. Pravin Agarwal are provided in the Annexure to the Notice of the ensuing Annual General Meeting.

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

vi. Except as mentioned above, there was no other change in the Board of Directors of the Company during FY'2023.

6. COMPOSITION OF BOARD COMMITTEES

Details of the composition, terms of reference and meetings held during the year of all the Committees of the Board are available in the Corporate Governance Report annexed to this Directors' Report as **Annexure-A** and forming part of the Directors' Report. During FY'2023, the Board of directors has accepted all the recommendations of the Committees.

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

In order to identify strengths and areas of improvement, the Board of Directors of the Company is committed to assess its own performance as a Board. The Nomination and Remuneration Committee has established processes for performance evaluation of the Independent Directors, the Board as a whole and individual directors and the Committees of the Board. Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, performance of its committees as well as the directors individually (including the Chairman and Independent Directors). Details of the evaluation mechanism are available in the Corporate Governance Report annexed to this Directors' Report as **Annexure-A** and forming part of the Directors' Report.

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management, and their remuneration (**'NRC Policy'**). The NRC Policy including the Policy on Board Diversity can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/nrc_policy_board_diversity_others.pdf.

8. CORPORATE SOCIAL RESPONSIBILITY

a. The details of composition and changes therein are available in the Corporate Governance Report annexed to this Directors' Report as **Annexure-A** and forming part of the Directors' Report.

b. The Board has approved a CSR policy governing the CSR initiatives of the Company. The same can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/csr_policy.pdf.

c. During FY'2023, pursuant to Section 135 of the Companies Act, 2013, and relevant Rules made thereunder, your Company was not mandatorily required to spend on CSR Activities. However, the Company had voluntarily spent ₹ 2,09,40,000/- on the CSR activities during FY'2023.

d. Pursuant to the amended provisions, your Company may carry forward and set off such amount against the liabilities that may arise in succeeding years.

e. Pursuant to Section 135 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR activities is enclosed as **Annexure-G** to this Directors' Report.

9. MEETINGS OF THE BOARD OF DIRECTORS

During FY'2023, 12 (Twelve) meetings of the Board of Directors have been duly convened. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013, Rules made thereunder and Secretarial Standard 1 on Board Meetings issued by the Institute of Company Secretaries of India read with MCA circulars, as issued from time to time.

The composition of the Board and changes therein, and the details of meetings held during FY'2023 are available in the Corporate Governance Report annexed to this Directors' Report as **Annexure-A** and forming part of the Directors' Report.

10. KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, and the Rules made thereunder, as on March 31, 2023, the Key Managerial Personnels of the Company were as under:

Sr. No.	Name	Designation	Date of Appointment
1.	Mr. Pratik Pravin Agarwal[1]	Managing Director	June 01, 2016
2.	Mr. Manish Agrawal[2]	Whole Time Director	December 17, 2021
3.	Ms. Kamaljeet Kaur[3]	Whole Time Director	June 29, 2022
4.	Mr. Sanjeev Bhatia[4]	Chief Financial Officer	October 01, 2021
5.	Mr. Ashok Ganesan	Company Secretary	May 29, 2017

Notes

[1]Mr. Pratik Pravin Agarwal was re-appointed as Managing Director w.e.f. June 01, 2021, for a term of 3 (Three) years.

[2]Mr. Manish Agrawal was re-appointed as Whole Time Director w.e.f. December 17, 2022, for a term of 2 (Two) years.

[3]Ms. Kamaljeet Kaur was appointed as Whole Time Director w.e.f. June 29, 2022, for a term of 1 (one) year. Accordingly, from the closing hours of business of the Company on June 28, 2023, she has vacated the position of Director and Whole Time Director.

[4]Mr. Sanjeev Bhatia, Chief Financial Officer (CFO) has submitted his resignation from the position of the Chief Financial Officer w.e.f. August 22, 2023.

11. AUDITORS AND AUDITORS' REPORT

a. **Statutory Auditors**

M/s. S R B C & Co. LLP, Chartered Accountants were appointed as the Statutory Auditors of the Company from the conclusion of 6th Annual General Meeting held on September 29, 2021, for a period of 4 years up to the conclusion of 10th Annual General Meeting to be held for the financial year 2024-25.

Based on internal analysis of M/s. S R B C & Co. LLP, the total maximum period which can be served by an auditor for an entity where rotation is applicable, is 10 years. In light of the aforesaid and pursuant to Section 139(6) of the Companies Act, 2013 and Rules made thereunder, M/s. S R B C & Co. LLP were appointed as the first statutory auditors by the Board of directors to hold office upto the conclusion of first Annual General Meeting, and such period of appointment is considered for computation of maximum period of 10 years. Therefore, an audit firm can be appointed or re-appointed by the Members/ Shareholders of a company in the first Annual General Meeting for a term of 5 consecutive years *(first term)* and thereafter can be re-appointed for another term of 4 consecutive years *(second term)* so that maximum period served by such Audit firm as the Statutory Auditors does not exceed 10 years.

The Statutory Auditors' Report does not contain any qualification or adverse remark. Hence, the Directors' Report do not require any clarification or explanation of the Board of directors.

b. **Secretarial Auditors**

During FY'2023, M/s. DMK Associates, Practising Company Secretaries were appointed as the Secretarial Auditors of the Company, to conduct the Secretarial Audit of the Company for FY'2023. The Report of the Secretarial Auditors is annexed as **Annexure-E** to this Directors' Report.

The Secretarial Auditors' Report does not contain any qualification or adverse remark. Hence, the Directors' Report do not require any clarification or explanation of the Board of directors.

c. **Cost Auditors**

During FY'2023, Mr. Kiran Chand Naik, Cost Accountant, was appointed as the Cost Auditor of the Company, to conduct the audit of cost records being made and maintained by the Company for FY'2023.

The Cost Audit for FY'2023 is under progress and will be duly completed within the defined timeline.

12. CHANGES IN SHARE CAPITAL

a. **Authorised share capital**

During FY'2023, there was no change in the authorised share capital of the Company. As on March 31, 2023, the authorised share capital was as under:

Type of capital	Capital structure as on March 31, 2023	
	No. of shares	Amount (In ₹)
Equity shares of ₹ 2/- each	6,38,02,50,000	12,76,05,00,000
Optionally Convertible Redeemable Preference Shares of ₹ 10/- each	47,00,00,000	4,70,00,00,000
Redeemable Preference Shares of ₹ 2/- each	3,64,00,000	7,28,00,000
Total		**17,53,33,00,000**

b. **Issued, subscribed, and paid-up share capital**

During FY'2023, the issued, subscribed, and paid-up share capital of the Company was increased on account of issue of bonus shares. The details of changes in the issued, subscribed, and paid-up share capital during FY'2023 and as on March 31, 2023, are as under:

Particulars	As on (Date)	No. of shares	Amount (In ₹)
Issued, Subscribed, and Paid-up share capital **(A)**	April 01, 2022	6,11,81,902	12,23,63,804
Increase during the year on account of issue and allotment of bonus shares **(B)**	October 20, 2022	6,11,81,902	12,23,63,804
Issued, Subscribed, and Paid-up share capital **(A+B)**	March 31, 2023	12,23,63,804	24,47,27,608

13. INTERNAL FINANCIAL CONTROLS

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

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

14. BUSINESS RISK MANAGEMENT

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

The Board has constituted a Risk Management Committee *(details of which are available in the Corporate Governance Report annexed to this Directors' Report as* ***Annexure-A*** *and forming part of the Directors' Report)* to review, identify, evaluate, and monitor both business and non-business-related risks and take requisite action to mitigate the same through a properly defined framework. Your Company has framed a Risk Management Policy to identify and assess the risk areas, monitor and report compliance and effectiveness of the policy. The Risk Management policy can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/risk_management_policy_0.pdf.

A detailed exercise is being carried out regularly to identify, evaluate, manage and monitor both business and non-business risks. The Policy seeks to create transparency, minimise adverse impact on the business objectives and enhance the competitive advantage of your Company. The Policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

15. LEGAL COMPLIANCES MANAGEMENT

The Compliance function independently tracks, reviews, and ensures compliance with Regulatory and Statutory Laws of the land and promotes compliance culture in your Company. The compliances are tracked and monitored on compliance portal, updated by the respective users. The compliance portal is a software which facilitates in operating an effective and efficient compliance management system that allows for monitoring of the compliance with respect to applicable laws and regulations and also updates the users in case of any amendments in existing laws and regulations. The portal also provides a robust governance structure and a streamlined reporting system that ensures comprehensive compliance reporting to the Board. The compliance certificate duly certified by the Managing Director and respective Function heads is submitted to the Board on a quarterly basis, allowing robust and effective oversight of the compliance management in your Company.

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The details of Vigil Mechanism/ Whistle Blower Policy are available in the Corporate Governance Report annexed to this Directors' Report as **Annexure-A** and forming part of the Directors' Report.

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

a. **Acquisition of Fatehgarh III Beawar Transmission Limited**

Fatehgarh III Beawar Transmission Limited, a Special Purpose Vehicle (**'SPV'**) houses a transmission project to establish Inter-State Transmission System for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part G. Your company will build, own, operate, and transfer, a critical transmission project in Rajasthan for a period of 35 years. The project will involve construction of a 350km, 765kV transmission corridor from Fatehgarh III to Beawar in Rajasthan. It will enable evacuation of a part of 20 GW of renewable power from Renewable Energy Zones in Fatehgarh (9.1 GW), Bhadla (8 GW) and Ramgarh (2.9 GW) areas of the state.

Your Company participated in the tariff based competitive bidding for the Fatehgarh Project through Sterlite Grid 19 Limited, a wholly owned subsidiary and emerged as a successful bidder. Your Company has successfully acquired the SPV from PFC Consulting Limited, on August 01, 2023.

18. FINANCIAL STATEMENTS

The standalone and consolidated financial statements of the Company for the financial year 2022-23, prepared in accordance with Indian Accounting Standards (Ind AS) and duly audited by the Statutory Auditors of the Company, forms part of the Annual Report of FY'2023.

Pursuant to General Circular Nos. 14/2020 dated April 08, 2020; 17/2020 dated April 13, 2020; 22/2020 dated June 15, 2020; 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021 and 03/2022 dated May 05, 2022; 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs, the Company shall not be dispatching physical copies of the financial statements forming part of the Annual Report. The Annual Report for FY'2023 shall be sent to the Members/Shareholders through email only. The physical copy of the Annual Report would be sent to the Member/Shareholders on a request made in this regard.

19. AMOUNT TRANSFERRED TO GENERAL RESERVE

No amount is being proposed to be transferred to the reserves, out of profits for FY'2023.

20. DIVIDEND

The Board of Directors of your Company in its meeting held on March 24, 2023, declared an interim dividend of 50% per equity share, being ₹ 1/- per share for FY'2023, aggregating up to approximately ₹ 122.36 million to be paid out of the profits of the Company for FY'2023. The interim dividend was paid to those shareholders of the Company whose names appeared on the Register of Members as on the record date i.e. April 07, 2023, except those equity shares in respect of which the Shareholders have waived or forgone their right to receive the interim dividend for FY'2023, in accordance with the Articles of Association of the Company.

Further, your Board of Directors do not recommend final dividend for FY'2023. Therefore, the Interim Dividend paid during FY'2023 would become the final dividend for such year and accordingly, the same will also be placed for confirmation/approval of the Members/ Shareholders at the ensuing 8th Annual General Meeting.

The Dividend policy can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/dividend_policy_0.pdf.

21. CHANGE IN NATURE OF BUSINESS, IF ANY.

There is no change in the nature of business of the Company during FY'2023.

22. CORPORATE GOVERNANCE

A Report on Corporate Governance forming part of this Directors' Report is annexed as **Annexure-A**.

23. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts and arrangements with related parties, entered into by your Company during FY'2023, were in the ordinary course of business and on arm's length basis. Pursuant to Section 134 of the Companies Act, 2013 and the Rules made thereunder, particulars of contracts or arrangements in Form: AOC-2 with related parties are annexed to this Directors' Report as **Annexure-B.**

The details regarding the policy, approval and review process of Related Party Transactions are available in the Corporate Governance Report annexed to this Directors' Report as **Annexure-A** and forming part of the Directors' Report.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments of your Company are provided in Note no. 6, 7, 8, 19 & 20 of the standalone financial statements forming part of the Annual Report for FY'2023.

25. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on March 31, 2023, your Company had 51 subsidiaries and 8 Joint-ventures. The list of subsidiaries and joint ventures is annexed to this Directors' Report as **Annexure-C**.

Pursuant to Section 129 of the Companies Act, 2013 and the Rules made thereunder, statement containing salient features of the financial statements of the subsidiary and joint venture companies in Form: AOC-1 is annexed to this Directors' Report as **Annexure-D**.

The Policy on material subsidiaries can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/policy_on_material_subsidiaries_0.pdf.

During FY'2023, the changes in subsidiaries and/or joint ventures of your Company is as under:

i. **Companies that have become subsidiaries/associates/ joint ventures during FY'2023:**

- Through incorporation of a new company-
  - Sterlite Grid 31 Limited *(w.e.f. May 26, 2022)*
  - Sterlite Grid 32 Limited *(w.e.f. May 23, 2022)*
  - Sterlite Grid 33 Limited *(w.e.f. May 25, 2022)*
  - Sterlite Grid 34 Limited *(w.e.f. June 02, 2022)*
  - Sterlite Grid 35 Limited *(w.e.f. May 26, 2022)*
  - Sterlite Grid 36 Limited *(w.e.f. July 20, 2022)*
  - Sterlite Grid 37 Limited *(w.e.f. July 22, 2022)*
  - Sterlite Grid 38 Limited *(w.e.f. July 22, 2022)*
  - Sterlite Grid 39 Limited *(w.e.f. July 22, 2022)*
  - Sterlite Grid 40 Limited *(w.e.f. July 22, 2022)*
  - SF 542 *(w.e.f. July 28, 2022)*
- Through acquisition of shares-
  - Kishtwar Transmission Limited *(w.e.f. December 06, 2022)*
  - Sterlite Interlinks Limited *(w.e.f. June 01, 2022)*
  - Serra Negra Transmissão de Energia S.A *(w.e.f. June 15, 2022)*
  - Tangará Transmissão de Energia S.A. *(w.e.f. June 15, 2022)*

Note: Post March 31, 2023, Fatehgarh III Beawar Transmission Limited has become the subsidiary of the Company through acquisition of shares w.e.f. August 01, 2023.

ii. **Companies which have ceased to be subsidiaries during FY'2023:**

- SE Vineyards Transmissão de Energia S.A *(w.e.f. November 30, 2022)*
- Vineyards Participações S.A. *(w.e.f. November 30, 2022)*
- Khargone Transmission Limited *(w.e.f. March 02, 2023)*

iii. **Companies which have ceased to be associates during FY'2023:**

- Sterlite Interlinks Limited *(w.e.f. June 01, 2022)*

26. DISCLOSURE REGARDING PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace and the same can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/12/sterlite_power_posh_policy-1.pdf. Your Company has constituted Internal Complaints Committee (ICC) for various business divisions and offices, as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

During FY'2023, your Company has received no complaints of harassment. As on March 31, 2023, no complaints were pending to be resolved.

27. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Companies Act, 2023 and the Rules made thereunder the amounts of Dividend which remained unpaid or unclaimed for a period of seven years are to be transferred by the Company to the Investor Education and Protection Fund established by Central Government.

As on March 31, 2023, the details of unpaid and unclaimed dividend lying with your Company can be accessed on the website of the Company at https://www.sterlitepower.com/investors.

Further, no amount was required to be transferred to IEPF during FY'2023.

28. SHARES LYING IN UNCLAIMED SUSPENSE ACCOUNT

The details of shares lying in Unclaimed Suspense Account are available in the Corporate Governance Report annexed to this Directors' Report as **Annexure-A** and forming part of the Directors' Report. Further, the details of the Shareholders to whom the shares belong and lying in the unclaimed suspense account can be accessed on the website of the Company at https://www.sterlitepower.com/investors.

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

Pursuant to Section 134 of the Companies Act, 2013 and the Rules made thereunder, the particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed to this Directors' Report as **Annexure-F**.

30. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Pursuant to the Section 197 of the Companies Act, 2013 and the Rules made thereunder, the particulars relating to statement containing the remuneration of the employees including such other details as are required to be disclosed under the relevant Section, is being **excluded** from this Annual Report for FY'2023.

However, such particulars shall be made available to any Member/Shareholder on a specific request made in writing before the date of ensuing Annual General Meeting. Any Member/Shareholder interested in obtaining a copy of such statement, may write to the Company Secretary at secretarial.grid@sterlite.com and the same shall be furnished upon such request.

31. PERFORMANCE AND RETENTION CASH PLAN 2021

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

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

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

The details of application made by your Company and proceeding pending under the Insolvency and Bankruptcy Code, 2016 during FY'2023 along with the status as at March 31, 2023 is as under:

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

33. DISCLOSURES WITH RESPECT TO EVENTS POST MARCH 31, 2023

a. **Alteration in the share capital clause of Memorandum of Association**

Post closure of FY'2023, the authorised Share Capital has been increased from ₹ 1753,33,00,000 to ₹ 2000,00,00,000, by creation of 123,33,50,000 additional Redeemable Preference Shares of ₹ 2/- each aggregating to ₹ 246,67,00,000. The details of the same are as under:

Type of share	Capital structure as on March 31, 2023		Capital Structure as on August 11, 2023	
	No. of shares	Amount (In ₹)	No. of shares	Amount (In ₹)
Equity shares of ₹ 2/- each	638,02,50,000	1276,05,00,000	638,02,50,000	1276,05,00,000
Optionally Convertible Redeemable Preference Shares of ₹ 10/- each	47,00,00,000	470,00,00,000	47,00,00,000	470,00,00,000
Redeemable Preference Shares of ₹ 2/- each	3,64,00,000	7,28,00,000	126,97,50,000	253,95,00,000
Total		**1753,33,00,000**		**2000,00,00,000**

b. **Completion of tenure of Ms. Kamaljeet Kaur, Whole Time Director**

Ms. Kamaljeet Kaur (Chief Human Resource Officer) was appointed as a Woman and Whole Time Director of the Company on June 29, 2022, for a period of 1 (One) year. Pursuant to the provisions of the Companies Act, 2013 and read with the terms of appointment, from the closing hours of business of the Company on June 28, 2023, she has vacated the position of the Director and Whole Time Director.

c. **Resignation of Mr. Sanjeev Bhatia, from the position of the Chief Financial Officer**

Mr. Sanjeev Bhatia was appointed as Chief Financial Officer (CFO) of your Company w.e.f. October 01, 2021. He has submitted his resignation from the position of the CFO w.e.f. August 22, 2023, as he wants to pursue opportunities outside your Company. The Board of directors in its meeting held on August 11, 2023, has accepted the same and he would be relieved of his responsibilities as CFO with effect from closing hours of business of the Company on August 22, 2023.

34. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134 of the Companies Act, 2013 and the Rules made thereunder, your Directors state that:

a. in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.

b. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit/loss of the Company for the year April 01, 2022 to March 31, 2023.

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

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

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

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

35. GENERAL

For FY'2023, the Directors state that:

a. Your Company has not received any complaints relating to child labour, forced labour, involuntary labour during the FY'2023.

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

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

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

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

f. The Auditors have not reported any matter under Section 143 (12) of the Act.

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

36. COMPLIANCE WITH SECRETARIAL STANDARDS

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

37. ANNUAL RETURN

Pursuant to Section 92 of the Companies Act, 2013 the Annual Return of the Company for FY'2023 can be accessed on the website of the Company at https://www.sterlitepower.com/investors.

38. ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and Members during FY'2023. Your Directors place on record their deep sense of appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the progress of your Company.

For and on behalf of the Board of Directors

Sterlite Power Transmission Limited

sd/-

Pravin Agarwal

Chairman

DIN-00022096

Date: August 11, 2023

Place: Mumbai

ANNEXURES TO THE DIRECTORS' REPORT

Annexure	Particulars
A	Corporate Governance Report
B	Particulars of contracts or arrangements with related parties referred in Form AOC - 2
C	List of subsidiaries, and joint ventures as on March 31, 2023
D	Salient features of subsidiaries/joint-ventures pursuant to Section 129 of the Companies Act, 2013, and the Rules made thereunder in Form AOC–1
E	Secretarial Audit Report for the financial year ended March 31, 2023
F	Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134 of the Companies Act, 2013 read with Rules made thereunder
G	Report on Corporate Social Responsibility

Annexure-A

Corporate Governance Report

PHILOSOPHY OF THE COMPANY ON CODE OF GOVERNANCE

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

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

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

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

1. **Board of Directors**

a. Composition of the Board

As on March 31, 2023, the Board of Directors comprised of 6 (Six) directors, of which 2 (two) were Independent Directors:

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

Note:

[1]Mr. Pratik Pravin Agarwal was re-appointed as Managing Director w.e.f. June 01, 2021, for a term of 3 (Three) years.

[2]Mr. Manish Agrawal was re-appointed as Whole Time Director w.e.f. December 17, 2022, for a term of 2 (Two) years.

[3]Ms. Kamaljeet Kaur was appointed as Whole Time Director w.e.f. June 29, 2022, for a term of 1 (one) year. Accordingly, from the closing hours of business of the Company on June 28, 2023, she has vacated the position of Director and Whole Time Director.

Updates/changes in the composition of the Board are available at Point no. 5 in the Directors' Report.

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

All the Directors have made necessary disclosures regarding Committee positions and directorships held by them in other companies. None of the directors is a member in more than ten committees and Chairman in more than five Committees (i.e. Audit Committee and Stakeholders' Relationship Committee) across all companies in which he / she is a director. Also, none of the Independent Directors of the Company served as an Independent Director in more than seven listed companies.

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

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

The Company is in the process of filling the casual vacancy of Woman Director within statutory timeline

b. Meetings of the Board of Directors

The Board Members met 12 (twelve) times during FY'2023 i.e., on April 21, 2022, May 27, 2022, June 29, 2022, July 22, 2022, July 29, 2022, August 09, 2022, August 23, 2022, October 27, 2022, November 11, 2022, December 21, 2022, February 14, 2023, and March 24, 2023. Further, the gap between two meetings did not exceed the statutory timelines. The majority of the board meetings were held through video-conferencing (' **VC'**)/other audio-visual means (' **OAVM'**)

The details of attendance of the Directors in the Board Meetings and 7th Annual General Meeting are as under:

Sr. No.	Name of the Directors	Relationship with other directors	Attendance at the last AGM held on September 26, 2022	No. of Board Meetings held during FY'23			Shares held in the Company as on March 31, 2023
				Held	Entitled to attend	Attended	
1	Mr. Pravin Agarwal *(Chairman)*	Father of Mr. Pratik Pravin Agarwal	Yes	12	12	6	15,41,710
2	Mr. Pratik Pravin Agarwal *(Managing Director)*	Son of Mr. Pravin Agarwal	Yes	12	12	9	10,94,728
3	Mr. A.R. Narayanaswamy *(Independent Director)*		Yes	12	12	12	-
4	Mr. Anoop Seth *(Independent Director)*		Yes	12	12	12	-
5	Mr. Manish Agrawal *(Whole Time Director)*		Yes	12	12	8	-
6	Ms. Kamaljeet Kaur[1] *(Whole Time Director)*		Yes	12	9	8	-

[1]Ms. Kamaljeet Kaur was appointed as Whole Time Director w.e.f. June 29, 2022, for a term of 1 (one) year. Accordingly, from the closing hours of business of the Company on June 28, 2023, she has vacated the position of the Director and Whole Time Director.

c. Information provided to the Board

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

Further, the Managing Director, the Whole Time Director, the Chief Financial Officer and the Company Secretary have interactions with all Directors at the Board Meetings, and members of Senior Management also attend the Board Meetings to provide detailed insight to the Board Members.

d. Separate meeting of the Independent Directors

Pursuant to the Code of Independent Directors prescribed under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on March 23, 2023, for the FY'2023 to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content, and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to perform and discharge their duties effectively and reasonably.

e. Induction and training of Board Members

The Company has put a process in place for the Induction and Training of Board Members. Upon appointment, the concerned Director is issued a letter of appointment setting out in detail the terms of appointment, duties, responsibilities and expected time commitments. At the time of appointment, the Independent Director is taken through a formal induction program including a presentation from the Managing Director on the Company's business. The details of familiarisation programs imparted to independent directors is forming part of the Nomination and Remuneration Policy and can be accessed on website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/nrc_policy_board_diversity_others.pdf.

The Company Secretary also brief about the legal and regulatory responsibilities of a Director. On matters of a specialised nature, the Company engages outside experts/consultants for presentation and discussion with the Board Members, if it considers necessary.

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

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

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

Accordingly, pursuant to the provisions of the Act, the Board had carried out an annual performance evaluation of its own performance, the Chairman, the Directors individually as well as the evaluation of the working of its Committees for FY'2023. The said structured evaluation was conducted after taking into consideration, the inputs received from the Directors, covering various aspects like role, time and level of participation, performance of duties, level of oversight, professional conduct and independence and report to this effect is kept in the custody of Company Secretary of the Company.

g. **Directors and Officers Liability Insurance (D&O POLICY)**

The Company has in place a D&O Policy. It covers directors (including independent directors) of the Company. The Board is of the opinion that the quantum and risks presently covered are adequate.

2. **Committees of the Board***

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board and the roles are clearly defined to be performed by Members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board on quarterly basis for noting. As on March 31, 2023, the Board had established the following Committees:

2.1. Audit Committee
2.2. Nomination and Remuneration Committee[1]
2.3. Stakeholders Relationship Committee[1]
2.4. Corporate Social Responsibility Committee[1]
2.5. Risk Management Committee[2]
2.6. Banking and Authorisation Committee
2.7. Allotment Committee
2.8. IPO Committee

Notes:

[1]The composition of the Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee was last changed on April 21, 2022.

[2]The charter of the Risk Management Committee was last amended on November 11, 2022

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

2.1. Audit Committee

The Audit Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Companies Act, 2013, as amended from time to time, besides other terms as may be referred by the Board of Directors. The primary objective of the Audit Committee of the Board of Directors is to discharge responsibilities relating to accounting and reporting of financial practices adopted by the Company and its subsidiaries, surveillance of internal financial control systems as well as accounting and audit activities.

a. **Composition of the Audit Committee**

The Audit Committee comprises of 2 (two) Independent Directors and 1 (one) Non-Executive Director. Mr. A.R. Narayanaswamy, Chairman of the Committee (Independent Director) is a Chartered Accountant and has accounting and financial expertise. The other Committee Members are also financially literate, with ability to read and understand financial statements. The Company Secretary acts as the Secretary to the Audit Committee. The quorum of the Committee is two members or one-third of its members, whichever is higher, and at least one Independent Director shall be present to form a valid quorum.

The Chairman of the Audit Committee attended the 7th Annual General Meeting of the Company held on September 26, 2022.

As on March 31, 2023, and as on the date of this report, the composition of the Audit Committee is as under:

Sr. No.	Name of the Director(s)	Designation
1	Mr. A.R. Narayanaswamy	Chairman
2	Mr. Pravin Agarwal	Member
3	Mr. Anoop Seth	Member

b. **Meetings of the Audit Committee**

The Audit Committee met 9 (nine) times during FY'2023 i.e., on April 21, 2022, May 26, 2022, July 22, 2022, August 08, 2022, October 27, 2022, November 11, 2022, December 21, 2022, February 13, 2023, and March 24, 2023, and the gap between two meetings did not exceed the statutory timelines.

The details of attendance of the Members during the Audit Committee meetings are as under:

Sr. No.	Name of the Directors	Designation	No. of meetings held during FY'2023		
			Held	Entitled to attend	Attended
1	Mr. A.R. Narayanaswamy	Chairman	9	9	9
2	Mr. Pravin Agarwal	Member	9	9	5
3	Mr. Anoop Seth	Member	9	9	9

c. **The Terms of Reference of the Audit Committee are as under:**

A. *Review Role- Audit Committee*

1. *Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.*
2. *Review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:*
   a. *matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;*
   b. *changes, if any, in accounting policies and practices and reasons for the same;*
   c. *major accounting entries involving estimates based on the exercise of judgment by management;*
   d. *significant adjustments made in the financial statements arising out of audit findings;*
   e. *compliance with listing and other legal requirements relating to financial statements;*
   f. *disclosure of any related party transactions;*
   g. *qualifications and modified opinion(s) in the draft audit report;*
3. *Examination and review with the management of the quarterly financial statement and auditor's report thereon; and audit findings, including any significant suggestions for improvements provided to the Management by the independent auditors, or the internal auditor before submission to the board for approval.*
4. *Review the financial statements, in particular, the investments made by the unlisted subsidiary.*
5. *Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.*
6. *Review and monitor effectiveness of the audit process.*
7. *Review and monitor the auditor's independence, performance and qualifications, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner and consider regular rotation of the accounting firm serving as the independent auditors.*
8. *Review with the Management, performance of Statutory and Internal auditors and adequacy of the internal control systems.*
9. *Evaluate Internal Financial Controls and Risk Management systems and call for comments by the auditors about internal control systems/scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and discuss any related issues with the Internal and Statutory Auditors and the Management of the Company.*
10. *Review of the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.*
11. *Discussion with internal auditors of any significant findings and follow up thereon and review the findings of any investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.*
12. *Review material issues raised in any inquiry or investigation by governmental or professional authorities, regarding any independent audit performed by the independent auditor, during their tenure with the Company, and any steps taken to deal with any such issues.*
13. *Review proposals for fund raising, mergers and acquisitions, making investments or sale of investment/ assets.*

14. *Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.*
15. *Review with the Management, and independent auditors, any prospectus or such other document including financial statements contained therein, proposed to be issued by the Company for the purpose of raising capital.*
16. *Monitoring of end use of funds raised through public offers and related matters.*
17. *Monitoring and review of the utilisation of loans and/ or advances from/investment in the subsidiary companies exceeding ₹ 100 crores or 10% of the asset size of the subsidiary/associate companies, whichever is lower; including existing loans / advances / investments existing as on the date of coming into force of this provision.*
18. *Review the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.*
19. *Periodically review the treasury policy of the Company.*
20. *Review the functioning of the Vigil / Whistle Blower Mechanism.*
21. *Review of compliance with the Code of Business Conduct & Ethics, Prevention of Sexual Harassment at Workplace Policy, Conflict of Interest Policy, Anti-Trust Policy and Anti-Corruption and Bribery Policy.*
22. *Note report of compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015.*
23. *Review of secretarial audit report, cost audit report and other audit report as required under the applicable laws.*
24. *Review, in conjunction with legal counsel, any legal matters that could have a significant impact on the Company's financial statements/position.*
25. *Review the following:*
    a. *Management discussion and analysis of financial condition and results of operation.*
    b. *Statement of significant related party transactions (as defined by the audit committee), submitted by management.*

       Provided that only those members of the Audit Committee, who are independent directors, shall approve related party transactions.
    c. *Management letters / letters of internal control weaknesses issued by the statutory auditors including Internal audit reports relating to internal control weaknesses.*
    d. *Statement of deviations, if any in the use of proceeds as against the objects for which the funds were raised.*
    e. *Review the statement of deviations:*
       i. *quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).*
       ii. *annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).*
    f. *Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.*

B. Approval Role- Audit Committee

26. *Approval of other non-audit services rendered by the Statutory Auditors including finalisation of fees for such other services;*
27. *Approval or any subsequent modification of transactions of the Company with the related parties or recommendation of the same to the Board.*
28. *Approval of appointment of the Chief Financial Officer and Chief Internal Auditor after assessing the qualifications, experience and background, etc. of the candidate. The removal and terms of remuneration of the chief internal auditor shall also be subject to review by the Audit Committee.*
29. *Recommendation for appointment, remuneration and terms of appointment of the auditors of the Company including secretarial auditors and cost auditors.*

C. Other Roles and Functions- Audit Committee

30. *Formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with internal auditor.*
31. *Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.*
32. *Scrutiny of inter corporate loans and investments and periodically review its status.*
33. *Valuation of undertakings or assets of the Company, wherever it is necessary*
34. *Appointment of Registered Valuer in terms of Section 247 of the Companies Act, 2013, if required.*
35. *Formulate the criteria for granting omnibus approval in line with the policy on related party transactions of the Company.*
36. *Make an omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions and requirements as prescribed by Applicable Law.*
37. *Undertake any other activity in this regard as may be required by the Companies Act, 2013, the Rules, or the SEBI Listing Regulations or other applicable law from time to time.*
38. *To do all acts, deeds and things which may be necessary for effective implementation of the foregoing acts.*
39. *Investigate into any matter in relation to activities mentioned above and for this purpose have the authority to obtain professional advice from external sources and have full access to records of the Company.*

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

2.2. Nomination and Remuneration Committee ('NRC Committee')

The Nomination and Remuneration Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Companies Act, 2013, as amended from time to time, besides other terms as may be referred by the Board of Directors. The NRC Committee has adopted a Nomination and Remuneration Policy which can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/nrc_policy_board_diversity_others.pdf.

a. Composition of the Nomination and Remuneration Committee

The NRC Committee comprises of 2 (two) Independent Directors and 1 (one) Non-Executive Director. Mr. A.R. Narayanaswamy is the Chairman of the NRC Committee. The Company Secretary acts as the Secretary to the NRC Committee. The quorum of the NRC Committee is two members or one-third of its members, whichever is higher and at least one Independent Director shall be present to form a valid quorum.

Further, Mr. Pravin Agarwal was inducted as Member of the NRC Committee on April 21, 2022, in place of Ms. Haixia Zhao who resigned from the directorship of the Company on March 31, 2022.

As on March 31, 2023, and as on the date of this report, the composition of NRC Committee is as under:

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

[1] *Mr. Pravin Agarwal was inducted as a member of the NRC Committee effective from April 21, 2022.*

b. Meetings of the NRC Committee

The NRC Committee met 3 (three) times during FY'2023 i.e. on June 29, 2022, July 19, 2022 and November 11, 2022.

The details of attendance of the Members during the NRC Committee meetings are as under:

Sr. No.	Name of the Directors	Designation	No. of meetings held during FY'2023		
			Held	Entitled to attend	Attended
1	Mr. A.R. Narayanaswamy	Chairman	3	3	3
2	Mr. Pravin Agarwal	Member	3	3	2
3	Mr. Anoop Seth	Member	3	3	3

c. The Terms of Reference of the NRC Committee are as under:

A. Nominating Functions- Nomination and Remuneration Committee

1. *Review and recommend the structure, size and composition of the Board and its Committees.*
2. *Formulate and recommend to the Board the criteria for determining qualifications, positive attributes and independence of a Director.*
3. *Evaluate the balance of skills, knowledge, experience and diversity on the Board for description of the role and capabilities, required for an appointment.*
4. *To devise a policy on diversity of board of directors.*
5. *To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down*
6. *Review and recommend to the Board appointment of Directors and Senior Management, including evaluation of incumbent directors for potential re-nomination. Further, to recommend to the Board their removal, as may be necessary.*
7. *To determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.*
8. *Review succession planning for Senior Management.*

B. Remuneration Functions- Nomination and Remuneration Committee

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

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

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

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

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

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

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

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

C. *Governance and Evaluation Function- Nomination and Remuneration Committee*

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

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

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

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

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

2.3. Stakeholders Relationship Committee ('SRC Committee')

The Stakeholders Relationship Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Companies Act, 2013, as amended from time to time, besides other terms as may be referred by the Board of Directors.

a. Composition of the Stakeholders Relationship Committee

The SRC Committee comprises of 1 (one) Independent Director, 1 (one) non-executive Director and 1 (one) executive Director during FY'2023. Mr. A.R. Narayanaswamy is the Chairman of the SRC Committee. The Company Secretary acts as the Secretary to the SRC Committee. The quorum of the SRC Committee is two members or one-third of its members, whichever is higher and at least one Independent Director shall be present to form a valid quorum.

Further, Mr. Manish Agrawal was inducted as Member of the SRC Committee on April 21, 2022, in place of Ms. Haixia Zhao who resigned from the directorship of the Company on March 31, 2022.

As on March 31, 2023, and as on the date of this report, the composition of SRC Committee is as under:

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

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

b. Meetings of the SRC Committee

The SRC Committee met 2 (two) times during FY'2023 i.e., on July 18, 2022, and February 14, 2023.

The details of attendance of the Members during the SRC Committee meetings are as under:

Sr. No.	Name of the Directors	Designation	No. of meetings held during FY'2023		
			Held	Entitled to attend	Attended
1	Mr. A.R. Narayanaswamy	Chairman	2	2	2
2	Mr. Pravin Agarwal	Member	2	2	2
3	Mr. Manish Agrawal	Member	2	2	2

c. The Terms of Reference of the SRC Committee are as under:

1. *To approve/refuse/reject registration of transfer/ transmission of Shares in a timely manner;*

2. *To approve/revise the format of share certificates and authorise printing thereof;*

3. *To authorise to maintain, preserve and keep in its safe custody all books and documents relating to the issue of share certificates, including the blank forms of share certificates;*

4. *To monitor redressal of and resolve the security holder's complaints/grievances including relating to non-receipt of allotment / refund, transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.*

5. *Review of measures taken for effective exercise of voting rights by shareholders.*

6. *Review of adherence of the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.*

7. *Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.*

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

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

d. Investor Grievances

During FY'2023, the Company received 247 complaints for various matters like non-receipt of share certificates, non-receipt of dividend and non-receipt of annual report. All the complaints were resolved to the satisfaction of the shareholders. Mr. Ashok Ganesan, Company Secretary, acts as the Compliance Officer of the Company. There were no pending complaints as on March 31, 2023.

2.4. Corporate Social Responsibility Committee ('CSR Committee')

The Corporate Social Responsibility Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Companies Act, 2013, as amended from time to time, besides other terms as may be referred by the Board of Directors. The primary role of the Committee is to assist the Company in discharging its social responsibilities. The Committee monitors the implementation of the Corporate Social Responsibility Policy. The CSR Policy of the Company can be accessed at the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/csr_policy.pdf

a. Composition of the Corporate Social Responsibility Committee

The CSR Committee comprises of 1 (one) Independent Director, 1 (one) non-executive Director and 1 (one) executive Director. Mr. Pravin Agarwal is the Chairman of the CSR Committee. The Company Secretary acts as the Secretary to the CSR Committee. The quorum of the CSR Committee is two members or one-third of its members, whichever is higher and at least one Independent Director shall be present to form a valid quorum.

Further, Mr. Manish Agrawal was inducted as Member of the CSR Committee on April 21, 2022, in place of Ms. Haixia Zhao who resigned from the directorship of the Company on March 31, 2022. Mr. Pratik Pravin Agarwal ceased to be a Member of the CSR Committee on April 21, 2022.

As on March 31, 2023 and as on the date of this report, the composition of the CSR Committee is as under:

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

[1]*Mr. Pravin Agarwal was designated as Chairman of the Committee effective from April 21, 2022*
[2]*Mr. Manish Agrawal was inducted as Member of the Committee effective from April 21, 2022.*
[3]*Mr. Pratik Pravin Agarwal ceased to be a Member of the CSR Committee effective from April 21, 2022*

b. **Meetings of the CSR Committee**

The CSR Committee met 2 (two) times during FY'2023 i.e., on July 18, 2022, and February 14, 2023.

The details of attendance of the Members during the CSR Committee meetings are as under:

Sr. No.	Name of the Directors	Designation	No. of meetings held during FY'2023		
			Held	Entitled to attend	Attended
1	Mr. Pravin Agarwal	Chairman	2	2	2
2	Mr. A.R. Narayanaswamy	Member	2	2	2
3	Mr. Manish Agrawal	Member	2	2	1

c. **The Terms of Reference of the CSR Committee are as under:**

1. *Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, the CSR Rules and amendments therein, from time to time.*
2. *Formulate and recommend to the Board, a roadmap of the CSR activities to be undertaken by the Company and annual budget to carry out the CSR activities including amendments therein, from time to time.*
3. *Approve and recommend to the Board the expenditure to be incurred on the CSR activities, from time to time as per the annual budget / CSR program approved by the Board of directors and in accordance with the Companies Act, 2013 and the CSR Rules.*
4. *Establish a transparent monitoring mechanism for implementation of CSR projects and programs undertaken by the Company and submit a half-yearly report to the Board of directors.*
5. *Review and monitor the Corporate Social Responsibility Policy and CSR activities of the Company.*
6. *Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -*

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

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

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

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

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

   Provided that Committee may alter such plan at any time during the financial year, and recommend the same to the Board, based on the reasonable justification to that effect.
7. *The CSR Committee may at the expense of the Company secure external professional advice and attendance of third parties with relevant experience and expertise, if it considers this necessary.*
8. *The Committee shall have access to any internal information necessary to fulfil its role.*
9. *Undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the CSR Rules, or other applicable law each as amended or by any other regulatory authority, from time to time.*
10. *To do all acts, deeds and things which may be necessary for effective implementation of the foregoing acts.*

2.5. Risk Management Committee ('RMC Committee')

The Risk Management Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Companies Act, 2013, as amended from time to time, besides other terms as may be referred by the Board of Directors. The primary objective of the Risk Management Committee of the Board of Directors is to support the Board in fulfilling its Corporate Governance oversight responsibilities with regard to identification, evaluation and mitigation of risks impacting the business.

a. **Composition of the Risk Management Committee**

The Risk Management Committee comprises of 1 (one) Independent Director and (1) one Executive Director. The Company Secretary acts as the Secretary to the Risk Management Committee. The quorum of the Committee is two members or one-third of its members, whichever is higher, and at least one member of the Board shall be present to form a valid quorum.

As on March 31, 2023, and as on the date of this report, the composition of the Risk Management Committee is as under:

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

b. **Meetings of the Risk Management Committee**

The Risk Management Committee met 3 (three) times during FY'2023 i.e. on May 06, 2022, October 27, 2022 and March 24, 2023.

The details of attendance of the Members during the Risk Management Committee meetings are as under:

Sr. No.	Name of the Directors	Designation	No. of meetings held during FY'2023		
			Held	Entitled to attend	Attended
1	Mr. A.R. Narayanaswamy	Member	3	3	3
2	Mr. Pratik Pravin Agarwal	Member	3	3	3

c. **The terms of reference of the Risk Management Committee are as under:**

1. *Advise the Board on the Company's overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment and drawing on financial stability assessments such as those published by relevant industry and regulatory authorities.*
2. *To formulate a detailed risk management policy which shall include:*

   (a) *A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.*

   (b) *Measures for risk mitigation including systems and processes for internal control of identified risks.*

   (c) *Business continuity plan.*
3. *Oversee and advise the Board on the current risk exposures of the Company and future risk strategy and review the risk management plan.*
4. *To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.*
5. *To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.*
6. *To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.*
7. *To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.*
8. *The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.*
9. *Review of cyber security and related risks.*
10. *Set a standard for the accurate and timely monitoring of large exposures and certain risk types of critical importance.*
11. *Ensure the CRO shall be given the right of unfettered direct access to the Chairman of the Board and/or to the Committee.*
12. *The Committee may at the expense of the Company secure external legal or other professional advice and attendance of third parties with relevant experience and expertise, if it considers this necessary. The Committee may also seek information from any employee of the Company.*
13. *Undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the rules thereunder, or the SEBI Listing Regulations each as amended or by any other regulatory authority, from time to time.*

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

2.6. Banking and Authorisation Committee ('BAC Committee')

The Banking and Authorisation Committee of the Board is governed by a Charter, besides other terms as may be referred to by the Board of Directors. The primary role of the Banking and Authorisation Committee of the Board of directors is to ease the day-to-day affairs of the Company within the approvals accorded and delegated by the Board of Directors.

a. **Composition of the Banking and Authorisation Committee**

The Banking and Authorisation Committee comprises of 1 (one) Non-Executive Director and 1 (one) Executive Director. Mr. Pravin Agarwal is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Banking and Authorisation Committee. The quorum of the Committee is two members present at the meeting.

As on March 31, 2023, and as on the date of this report, the composition of the Banking and Authorisation Committee is as under:

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

b. **Meetings of the Banking and Authorisation Committee**
The Banking and Authorisation Committee met 13 (thirteen) times during FY'2023 i.e., on April 06, 2022, April 27, 2022, May 14, 2022, June 01, 2022, June 21, 2022, August 13, 2022, September 19, 2022, October 15, 2022, December 10, 2022, January 09, 2023, January 30, 2023, March 03, 2023, and March 29, 2023.

The details of attendance of the Members during the Banking and Authorisation Committee meetings are as under:

Sr. No.	Name of the Directors	Designation	No. of meetings held during FY'2023		
			Held	Entitled to attend	Attended
1	Mr. Pravin Agarwal	Chairman	13	13	13
2	Mr. Pratik Pravin Agarwal	Member	13	13	13

c. **The Terms of Reference of the Banking and Authorisation Committee are as under:**

i. *Opening and/or Closure of Bank Accounts / Opening and/or Closure of Demat Accounts / Hedging Accounts / Forex Accounts / Derivative/Forex Transactions / Internet Banking Authorisations / Cash Management Services with various banks in India and/or outside India and change in operations of Bank Accounts, issuing letter of continuity and all such matters related to operations of the Current and Cash Credit Accounts.*

ii. *Appointing hedging brokers/sub-brokers for London Metal Exchange or any other Metal Exchanges.*

iii. *Authorise / Grant Power of Attorneys to employees of the Company for bidding in tenders, marketing, representing the Company in routine business matters.*

iv. *Authorise / grant Power of Attorney to employees of the Company or consultants to the Company in routine business matters.*

v. *Authorise / grant Power of Attorney to one or more persons to represent before authorities under Income Tax, Sales Tax, Excise, VAT, decide authentication of Excise Invoices, Customs (including issuing Bonds), Ministry of Corporate Affairs, the Reserve Bank of India, the Registrar of Companies, Foreign Investment Promotion Board, Enforcement Directorate, Electricity Boards, Pollution Control Boards, Town and Country Planning Authorities and/ or other statutory authorities under Central and/or State Governments.*

vi. *Authorise / grant Power of Attorney to one or more persons to initiate and/or defend all legal proceedings including appointment of counsel, attorneys, mediators, arbitrators on behalf of the Company and also to execute affidavits, appeals, applications, petitions and other documents and all such necessary/incidental steps necessary in this regard.*

vii. *Authorise one or more employees of the Company under Section 113 of the Companies Act, 2013 to attend and vote at the meetings of the companies where the Company is a shareholder/debenture-holder, meetings of creditors and meetings convened by the orders of the Court and to nominate/change nominee shareholders in any Subsidiary or Associate Companies from time to time to ensure the presence of quorum at their General Meetings and to ensure minimum number of members under the Companies Act 2013.*

viii. *Authorise employees of the Company in matters relating to opening and/or closing of representative/ branch offices in India or other countries.*

ix. *Authorise / grant Power of Attorney to one or more persons at various units for administrative purposes viz. applying for telephone/ internet/ power connection and/or dealing with local municipal authorities, shop act authorities and related matters.*

x. *Authorise / give Power of Attorney to one or more persons to make application to Central Government, Ministry of Corporate Affairs, Foreign Investment Promotion Board, Enforcement Directorate, Reserve Bank of India, Registrar of Companies for various permissions required under various Statutory enactments.*

xi. *Authorise one or more persons to execute and/ or register any documents, deeds, papers for purchase/ sale/ take or give on lease and / or Leave & License basis, land, factory, office premises and/or residential premises for the purpose of business.*

xii. *Invest sums of money in Units of Mutual Funds, Government Securities, Bonds, Debentures, and any other Securities or instruments upto ₹ 500 crores, at any given point of time.*

xiii. *Avail Working Capital facilities from various banks/ financial institutions (Fund based and non-fund based) for the prescribed limit as approved by Board from time to time.*

xiv. *Avail Term Loan facilities including through Non-Convertible Debentures from various banks/financial institutions for the prescribed limit as approved by Board from time to time.*

xv. *Creation of security or charge including but not limited to hypothecation, mortgage, pledge, bailment etc. on the moveable and/or immovable properties.*

xvi. *Authorise one or more persons to issue, sign, execute, and deliver indemnity, corporate guarantees, undertakings, affidavit or any other document on behalf of the Company.*

xvii. *Approve amendments to existing Superannuation Scheme including authority to change trustees, wherever necessary.*

xviii. *Authorise any person to affix seal of the Company to any instrument by the authority of a resolution.*

xix. *To revoke the powers delegated to the employee(s) by the Board and / or Committee(s) thereof from time to time.*

2.7. Allotment Committee
The Allotment Committee of the Board is governed by a Charter, besides other terms as may be referred to by the Board of Directors. The primary role of the Allotment Committee of the Board of directors is to make allotment of various securities issued by the Company, from time to time, pursuant to the approval of the Board to ease its administrative function.

a. **Composition of the Allotment Committee**
The Allotment Committee comprises of 1 (one) Non-Executive Director and 1 (one) Executive Director. Mr. Pravin Agarwal is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Allotment Committee. The quorum of the Committee is two members present at the meeting.

As on March 31, 2023, and as on the date of this report, the composition of the Allotment Committee is as under:

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

b. **Meetings of the Allotment Committee**
During FY'2023, no meeting of the Allotment Committee was held.

c. **The Terms of Reference of the Allotment Committee are as under:**

i. *Allot Shares / Securities of the Company.*

ii. *Splitting of shares, issuance of Duplicate Share Certificate in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilised.*

iii. *Authorise Directors / officers of the Company to issue Share / Securities Certificate to respective allottee(s) for above mentioned purposes.*

iv. *Undertake any other activity in this regard as may be required by the Companies Act, 2013 or the Rules, from time to time.*

v. *To do all acts, deeds, matters and things as may be necessary for effective implementation of the foregoing acts.*

2.8. IPO Committee
The IPO Committee of the Board is governed by a Charter, besides other terms as may be referred to by the Board of Directors. The primary role of the IPO Committee of the Board of directors is to oversee, approve and undertake various activities in relation to an Initial Public Offer, as and when approved by the Board.

a. **Composition of the IPO Committee**
The IPO Committee comprises of 1 (one) Independent Director, 1 (one) Non-Executive and 1 (one) Executive director.

As on March 31, 2023, and as on the date of this report, the composition of the IPO Committee is as under:

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

b. **Meetings of the IPO Committee**
During FY'2023, no meeting of the IPO Committee was held.

c. **The Terms of Reference of the IPO Committee are as under:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3. **Details of Remuneration paid to the Directors**

a. Mr. Pratik Pravin Agarwal is the Managing Director of the Company and was re-appointed for a term of 3 years w.e.f. June 01, 2021. As per the terms of appointment, the agreement can be terminated by giving 90 days' notice or equivalent pay by either of the sides. The said appointment, its terms and remuneration were approved by the shareholders of the Company in the Annual General Meeting of the Company held on December 31, 2020. Mr. Pratik Pravin Agarwal was paid a remuneration of ₹ 7,48,45,935 (Indian Rupees Seven Crores Forty Eight Lakhs Forty Five Thousand Nine Hundred Thirty Five) during FY'2023. This remuneration does not include gratuity and leave encashment since the same is calculated for all employees of the Company as a whole.

b. In the capacity of the Whole Time Director, Mr. Manish Agrawal was paid a remuneration of ₹ 3,52,88,485/- (Indian Rupees Three Crores Fifty Two Lakhs Eighty Eight Thousand Four Hundred Eighty Five Only) during FY'2023. This remuneration does not include gratuity and leave encashment since the same is calculated for all employees of the Company as a whole.

c. In the capacity of the Whole Time Director, Ms. Kamaljeet Kaur was paid a remuneration of ₹ 1,35,71,685 /- (Indian Rupees One Crores Thirty Five Lakhs Seventy One Thousand Six Hundred Eighty Five) which was recognised as Managerial Remuneration w.e.f. June 29, 2022 during FY'2023. This remuneration does not include gratuity and leave encashment since the same is calculated for all employees of the Company as a whole.

d. Mr. Pravin Agarwal, Chairman and Non-executive Director, was not entitled to any remuneration during FY'2023

e. The Independent Directors are paid sitting fee of ₹ 1,00,000/- (Indian Rupees One Lakh only) for attending each meeting of the Board and Committees of the Board. Remuneration by way of commission to Non-Executive Directors is paid pursuant to the approval of the Members/ Shareholders and is decided by the Board of Directors and distributed to them based on their participation and contribution to the Board and certain Committee meetings, as well as, time spent on strategic matters other than at meetings.

Accordingly, pursuant to the approval of Members/ Shareholders accorded in Annual General Meeting held on September 26, 2022 to pay remuneration to Independent Directors even in case of inadequate profits, the Board of directors, on August 11, 2023 approved the payment of Commission to its Independent Directors for FY'2023. The proposal of payment of such commission is being placed for the approval of the Members/ Shareholders of the Company in the ensuing Annual General Meeting.

For FY'2023, the details of remuneration of the Independent Directors are as under:

S. No.	Particulars	Mr. A.R. Narayanaswamy	Mr. Anoop Seth
1.	Sitting fee paid (in ₹)	32,00,000	25,00,000
2.	*Proposed commission (in ₹)*	*3,00,000*	*24,00,000*
	Total	**35,00,000**	**49,00,000**

4. **Disclosure regarding prevention of Sexual Harassment at Workplace**

The disclosure with respect to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is available at Point no. 26 of the Directors' Report.

5. General Body Meetings

a. Particulars of last three Annual General Meetings

Date	Venue	Time	Resolutions that were passed with requisite majority
September 26, 2022 (7th AGM)	Held through Video Conference	3:00 P.M.	- To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the report of Board of directors and Statutory Auditors thereon *(Passed as an Ordinary resolution)* - To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, and the report of the Statutory Auditors thereon. *(Passed as an Ordinary resolution)* - Re-appointment of Mr. Pratik Agarwal (DIN: 03040062) as Director of the Company. *(Passed as an Ordinary resolution)* - Appointment of Mr. Manish Agrawal (DIN - 05298459) - Chief Executive Officer - Infrastructure & Solutions Business of the Company, as a Whole Time Director, for a period of 1 year effective from December 17, 2021, till December 16, 2022 and to fix his overall maximum remuneration *(Passed as a Special resolution)* - Appointment of Ms. Kamaljeet Kaur (DIN - 09625188) - Chief Human Resources Officer of the Company, as a Whole Time Director, for a period of 1 year effective from June 29, 2022, till June 28, 2023 and to fix her overall maximum remuneration *(Passed as a Special resolution)* - Approval for payment of commission to Ms. Haixia Zhao, Independent Director of the Company *(Passed as a Special resolution)* - Approval for payment of remuneration by way of commission to Independent Directors of the Company for the Financial Year 2022-23 *(Passed as a Special resolution)* - Approval of remuneration of the Cost Auditors' for the financial year 2022-23 *(Passed as an Ordinary resolution)* - Approval for the issue of bonus shares out of reserves of the Company *(Passed as a Special resolution)*
September 29, 2021 (6th AGM)	Held through Video Conference	4:00 P.M.	- To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 and the report of Board of directors thereto and report of Auditors thereon. *(Passed as an Ordinary resolution)* - To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, and the report of the Auditors thereon. *(Passed as an Ordinary resolution)* - Re-appointment of Mr. Pravin Agarwal as director of the Company. *(Passed as an Ordinary resolution)* - Confirmation of interim dividend paid on equity shares as final dividend. *(Passed as an Ordinary resolution)* - Re-appointment of Statutory Auditors for a period of 4 years. *(Passed as an Ordinary resolution)* - Approval of remuneration of the Cost Auditors' for the financial year 2022 *(Passed as an Ordinary resolution)* - Approval for conversion of loan into equity share capital of the Company *(Passed as a Special resolution)* - Approval for payment of remuneration by way of commission to Independent Directors of the Company *(Passed as a Special resolution)*
December 31, 2020 (5th AGM)	Held through Video Conference	11.00 A.M	- To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 and the report of Board of Directors thereto and report of Auditors thereon. *(Passed as an Ordinary resolution).* - To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon. *(Passed as an Ordinary resolution)* - Re-Appointment of Mr. Pratik Agarwal as Director of the Company. *(Passed as an Ordinary resolution)* - Approval of remuneration of the Cost Auditors for FY 2021. *(Passed as an Ordinary resolution).* - Appointment of Mr. Anoop Seth (DIN- 00239653) as an Independent Director for a term of 5 years. *(Passed as an Ordinary resolution)* - Re-appointment of Mr. Pratik Agarwal (DIN - 03040062) as Managing Director for a period of 3 years *(Passed as a Special resolution)* - Authorisation for creation of charge on the assets of the Company under section 180(1)(a) of the Companies Act, 2013 *(Passed as a Special resolution)* - Transfer of Capital Redemption Reserve to Retained Earnings of the Company *(Passed as a Special resolution)* - Remuneration by way of commission to Independent Directors of the Company *(Passed as a Special resolution)*

b. Resolutions passed by Postal Ballot

During FY'2023, the following resolutions were passed through Postal Ballot on July 06, 2022:

i. Approval for the Restricted Stock Unit Scheme 2022 *(Passed as a Special resolution).*

ii. Authorisation to the Board under Section 180(1)(a) of the Companies Act, 2013 *(Passed as a Special resolution).*

The Board of directors appointed Ms. Mehak Gupta of M/s. Mehak Gupta & Associates, Practicing Company Secretaries, as Scrutiniser to monitor and review the e-voting process. The Company had provided facility of e-voting pursuant to provisions of the Companies Act, 2013. On completion of e-voting process, the Scrutiniser submitted her report to the Chairman and thereafter the results were declared on July 07, 2022, on the website of the Company and Registrar & Transfer Agent. All the resolutions were passed with the requisite majority.

6. Subsidiary, Associate and Joint Venture Companies

As on March 31, 2023, the Company had 51 subsidiaries and 8 joint venture companies. The significant matters pertaining to subsidiary companies are discussed at the Audit Committee of the Company. The performance of its subsidiaries is reviewed by the Board quarterly. The minutes of all the subsidiary companies are placed before the Board and the attention of the directors is drawn from time to time upon significant transactions and arrangements entered into with the subsidiary companies. Policy on material subsidiaries can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/policy_on_material_subsidiaries_0.pdf.

Note: Post March 31, 2023, Fatehgarh III Beawar Transmission Limited has become the subsidiary of the Company w.e.f. August 01, 2023.

7. Related Party Transactions

All Related Party Transactions are reviewed and approved by the Audit Committee and the Board of directors in accordance with the provisions of the Companies Act, 2013. No transaction with the related parties has a potential conflict with the Company's interest. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialisation and the Company's long-term strategy for sectoral investments, optimisation of market share, profitability, liquidity and capital resources of subsidiaries and associates. All related party transactions are entered into on an arm's length basis and are intended in the Company's interests.

During FY'2023, pursuant to the Companies Act, 2013, all material transactions entered into with Related Parties were in the ordinary course of business and on an arm's length basis. Suitable disclosures as required under the applicable Accounting Standards have been made in the notes to the Financial Statements of the Company for FY'2023.

The policy on Related Party Transactions can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/related_party_transactions_policy_0.pdf.

8. Code of Conduct

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

9. Vigil Mechanism / Whistleblower Policy

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

The policy encourages to raise concerns within the Company rather than overlooking a problem. The Whistleblower Policy can be accessed on the website of the Company at https://www.sterlitepower.com/wp-content/uploads/2021/11/whistle_blower_policy_0.pdf. All Complaints under this policy are reported to the Director - Management Assurance, who is independent of operating management and businesses. 'Complaints' can also be reported on a web-based portal, designated email id or tollfree number as under:

Web based Portal	www.vedanta.ethicspoint.com
Toll Free number	000 800 100 1681
Email	stl.whistleblower@stl.tech
Mailing address	Director - Management Assurance, Vedanta, 75 Nehru Road, Vile Parle (E), Mumbai 400 099 Tel No. +91- 22 – 6646 1000, Fax No. +91- 22 – 6646 1450

10. General Shareholder Information

a. Distribution of Shareholding as on March 31, 2023

Sr. no	Category	No. of shareholders	%	No. of shares	% of shareholding
1	1 - 5000	1,03,182	99.60	1,97,92,884	16.18
2	5001 - 10000	239	0.23	17,24,062	1.41
3	10001 - 20000	95	0.09	13,33,767	1.09
4	20001 - 30000	25	0.02	5,82,880	0.48
5	30001 - 40000	15	0.01	5,24,928	0.43
6	40001 - 50000	9	0.01	4,09,284	0.33
7	50001 - 100000	19	0.02	13,54,282	1.11
8	100001 and above	15	0.01	9,66,41,717	78.98
Total		**1,03,599**	**100**	**12,23,63,804**	**100**

b. The equity shareholding pattern as on March 31, 2023

Name	Total Shares	% To Equity
Promoter	8,73,40,796	71.38
Promoter Group	35,96,406	2.94
Total of Promoter & Promoter Group (A)	**9,09,37,202**	**74.32**
Institutions	10,24,609	0.83
Non-Institutions	2,70,42,131	22.1
Body Corporates	33,59,862	2.74
Total – Public shareholders (B)	**3,14,26,602**	**25.68**
Total (A) + (B)	**12,23,63,804**	**100**

c. Dematerialisation of Shares and Liquidity

As on March 31, 2023, 12,13,53,224, equity shares representing 99.17% of total equity shares were held in electronic form. The Shareholders can hold the shares in demat form either through NSDL or CDSL. The ISIN allotted to the equity shares of the Company is INE110V01015.

d. Details of outstanding equity shares in the Unclaimed Suspense Account

As on March 31, 2023, the details of equity shares lying in the suspense account are as under:

Particulars	Total No. of Shareholders	No. of Shares
As on April 01, 2022	5350	4,24,877
Shares transferred to suspense account pursuant to bonus issue on the shares already held in suspense account	5350	4,24,877
Shares transferred to suspense account pursuant to bonus shares allotted against the shares held in physical form	14143	10,03,912
Total		**18,53,666**
Shareholders approached for transfer/delivery during FY'2023	5	563
Shares transferred/delivered during FY'2023	5	563
As on March 31, 2023		18,53,103

11. Share Transfer System

The Company Secretary has been delegated powers to deal with all the matters related to transfers, transmission, issuance of duplicate share/debenture certificates, split and/or consolidation requests. In addition, the Company Secretary and authorised officials of the Registrar and Transfer Agents of the Company have been given powers to endorse registration of transfers on share certificates. The Company's shares being in compulsory demat list can only be transferred through the depository system. The Company has entered into agreements with both the depositories NSDL & CDSL.

KFin Technologies Limited, Hyderabad is the Registrar and Transfer Agent for transfer of shares. The requests received for transfer of shares are generally processed within 10-15 days of receipt of documents, complete and valid in all respects. Shares under objection are returned within 7-10 days.

12. Registrar and Transfer Agents

KFin Technologies Limited (formerly known as KFin Technologies Private Limited), Hyderabad is the Registrar and Transfer Agent of the Company. The shareholders, beneficial owners, and Depository Participants (DPs) can contact KFin Technologies Limited through below means:

a. **Investor Support Centre:** A webpage accessible via any browser enabled system. The shareholders can use a host of services like Post a Query, Raise a service request, Track the status of their DEMAT and REMAT request, Dividend status, Interest and Redemption status, Upload exemption forms (TDS), Download all ISR and other related forms.
URL: https://ris.kfintech.com/clientservices/isc/default.aspx

b. **eSign Facility:** Common and simplified norms for processing shareholders' service requests by RTAs and norms for furnishing PAN, KYC details and Nomination requires that eSign option be provided to shareholders for raising service requests.
URL https://ris.kfintech.com/clientservices/isr/isr1.aspx?mode=f3Y5zP9DDNI%3d

c. **KYC Status:** The shareholders can access the KYC status of their folio. The webpage has been created to ensure that the shareholders have the requisite information regarding their folios.
URL: https://ris.kfintech.com/clientservices/isc/kycqry.aspx

d. **KPRISM:** A mobile application as well as a webpage which allows users to access folio details, Interest and Dividend status, FAQs, ISR Forms and full suite of other shareholder services.
URL: https://kprism.kfintech.com/signin.aspx

The shareholders' correspondence should be addressed to KFin Technologies Limited at the below address.

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

In case of unresolved complaints, the Members may also write to the Company Secretary & Compliance Officer at the office of the Company at the below address:

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

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

Plant Locations:

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

Annexure-B

FORM NO. AOC-2

Details of Related Party Transactions

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NA
2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any. (Amount in ₹ Millions)	Date(s) of approval by the Board	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Justification for entering into such contracts or arrangements or transactions	Amount paid as advances, if any (in ₹ million)
1	Udupi Kasargode Transmission Limited	Subsidiary of Joint Venture	Revenue from EPC Contract	Ongoing	581.57	February 04, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
2	Khargone Transmission Limited	Subsidiary (till March 01, 2023)	Revenue from EPC Contract	Contract ended	142.64	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
3	Mumbai Urja Marg Limited (Erstwhile Vapi II-North Lakhimpur Transmission Limited)	Subsidiary of Joint Venture	Revenue from EPC Contract	Ongoing	5,468.97	February 04, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
4	Goa-Tamnar Transmission Project Limited	Subsidiary of Joint Venture	Revenue from EPC Contract	Ongoing	703.93	February 04, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
5	Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	Revenue from EPC Contract	Ongoing	682.04	February 04, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
6	Nangalbibra-Bongaigaon Transmission Limited	Subsidiary	Revenue from EPC Contract	Ongoing	1,932.90	February 03, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
7	Serentica Renewables India 1 Private Limited	Associate of Immediate Holding Company	Revenue from EPC Contract	Ongoing	-	February 14, 2023	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	84.96
8	Serentica Renewables India 4 Private Limited	Associate of immediate holding company	Revenue from EPC Contract	Ongoing	-	February 14, 2023	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	38.35
9	Kishtwar Transmission Limited	Subsidiary (from December 06, 2022)	Revenue from EPC Contract	Ongoing	-	December 21, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	602.69
10	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	Revenue from EPC Contract	Ongoing	121.40	November 11, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	32.55
11	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	Sale of goods	FY 2022-23	42.83	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
12	Sterlite Technologies Limited	Fellow Subsidiary	Sale of goods	FY 2022-23	0.46	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
13	Hindustan Zinc Limited	Fellow Subsidiary	Sale of goods	FY 2022-23	71.67	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
14	Bharat Aluminium Company Limited	Fellow Subsidiary	Sale of goods	FY 2022-23	14.94	November 11, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
15	Vedanta Limited	Fellow Subsidiary	Sale of goods	Ongoing	215.28	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
16	Khargone Transmission Limited	Subsidiary (till March 01, 2023)	Management Fees Income	Contract ended	10.00	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
17	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	Management Fees Income	Ongoing	42.63	May 04, 2021	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
18	Sterlite Brazil Participações S.A., Brazil	Subsidiary	Management Fees Income	Ongoing	0.79	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
19	Mumbai Urja Marg Limited (Erstwhile Vapi II-North Lakhimpur Transmission Limited)	Subsidiary of Joint Venture	Management Fees Income	Ongoing	0.15	August 09, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
20	Sterlite Convergence Limited	Subsidiary	Management Fees Income	Ongoing	4.25	September 19, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
21	Sterlite Interlinks Limited	Subsidiary	Management Fees Income	Ongoing	72.82	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
22	Goa-Tamnar Transmission Project Limited	Subsidiary of Joint Venture	Management Fees Income	Ongoing	0.65	August 09, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any. (Amount in ₹ Millions)	Date(s) of approval by the Board	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Justification for entering into such contracts or arrangements or transactions	Amount paid as advances, if any (in ₹ million)
23	Serentica Renewables India Private Limited (Erstwhile Sterlite Power Technologies Private Limited)	Fellow Subsidiary (till March 09 2023)	Management Fees Income	Ongoing	425.17	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
24	Serentica Renewables India Private Limited (Erstwhile Sterlite Power Technologies Private Limited)	Associate of immediate holding company (w.e.f March 10, 2023)	Management Fees Income	Ongoing	18.80	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
25	Sterlite Grid 14 Limited	Joint Venture	Miscellaneous income	Ongoing	3.42	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
26	Sterlite Brazil Participações S.A., Brazil	Subsidiary	Performance bank guarantee charge	Ongoing	17.95	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
27	Vedanta Limited	Fellow Subsidiary	Purchase of goods and services	FY 2022-23	15,510.86	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
28	Bharat Aluminium Company Limited	Fellow Subsidiary	Purchase of goods and services	FY 2022-23	2,350.23	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
29	ESL Steel Limited	Fellow Subsidiary	Purchase of goods and services	FY 2022-23	317.02	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
30	Sterlite Technologies Limited	Fellow Subsidiary	Purchase of goods and services	FY 2022-23	140.83	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
31	Sterlite Grid 16 Limited	Subsidiary	Purchase of goods and services	FY 2022-23	392.63	November 11, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
32	Vedanta Limited	Fellow Subsidiary	Purchase of Power	FY 2022-23	44.44	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
33	Universal Floritech LLP	Director's Interest Party	Availing Services	FY 2022-23	0.56	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
34	Talwandi Sabo Power Limited	Director's Interest Party	Availing Services	FY 2022-23	0.20	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any. (Amount in ₹ Millions)	Date(s) of approval by the Board	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Justification for entering into such contracts or arrangements or transactions	Amount paid as advances, if any (in ₹ million)
35	Sterlite Technologies Limited	Fellow Subsidiary	Reimbursement of expense paid to related parties	FY 2022-23	4.60	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
36	Goa-Tamnar Transmission Project Limited	Subsidiary of Joint Venture	Reimbursement of expenses paid on behalf of related parties	FY 2022-23	0.50	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
37	Khargone Transmission Limited	Subsidiary (till March 01, 2023)	Reimbursement of expenses paid on behalf of related parties	FY 2022-23	2.73	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
38	Sterlite Brazil Participações S.A., Brazil	Subsidiary	Reimbursement of expenses paid on behalf of related parties	FY 2022-23	9.65	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
39	Kishtwar Transmission Limited	Subsidiary (w.e.f December 06, 2022)	Reimbursement of expenses paid on behalf of related parties	FY 2022-23	1.61	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
40	Vedanta Limited	Fellow Subsidiary	Reimbursement of expenses paid on behalf of related parties	FY 2022-23	3.00	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
41	Serentica Renewables India Private Limited (Erstwhile Sterlite Power Technologies Private Limited)	Fellow Subsidiary (till March 09, 2023)	Reimbursement of expenses paid on behalf of related parties	FY 2022-23	3.40	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-
42	Serentica Renewables India Private Limited (Erstwhile Sterlite Power Technologies Private Limited)	Associate of immediate holding company (w.e.f March 10, 2023)	Reimbursement of expenses paid on behalf of related parties	FY 2022-23	2.76	May 27, 2022	N.A. as the transaction was in ordinary course of business and at arms' length	Business requirement	-

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

sd/-
Pravin Agarwal
Chairman
DIN-00022096

Date: August 11, 2023
Place: Mumbai

Annexure-C

PARTICULARS OF SUBSIDIARY AND JOINT VENTURE COMPANIES AS ON MARCH 31, 2023

S. No.	Name and address of the Company	Subsidiary/Associate/ Joint Venture
1	Sterlite Grid 5 Limited Add: 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1 Pune-411001	Subsidiary Company
2	Sterlite Grid 6 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
3	Sterlite Grid 7 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
4	Sterlite Grid 8 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
5	Sterlite Grid 9 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
6	Sterlite Grid 10 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
7	Sterlite Grid 11 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
8	Sterlite Grid 12 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
9	Sterlite Grid 15 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
10	Sterlite Grid 16 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
11	Sterlite Grid 17 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
12	Sterlite Grid 19 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
13	Sterlite Grid 20 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
14	Sterlite Grid 21 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
15	Sterlite Grid 22 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
16	Sterlite Grid 23 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
17	Sterlite Grid 24 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
18	Sterlite Grid 25 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
19	Sterlite Grid 26 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
20	Sterlite Grid 27 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
21	Sterlite Grid 28 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
22	Sterlite Grid 30 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
23	Sterlite Grid 31 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
24	Sterlite Grid 32 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
25	Sterlite Grid 33 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
26	Sterlite Grid 34 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
27	Sterlite Grid 35 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
28	Sterlite Grid 36 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
29	Sterlite Grid 37 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
30	Sterlite Grid 38 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
31	Sterlite Grid 39 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
32	Sterlite Grid 40 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
33	OneGrid Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Subsidiary Company
34	Maharashtra Transmission Communication Infrastructure Limited Add: Prakashganga Plot No. C 19, E Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051	Subsidiary Company
35	Sterlite Interlinks Limited Add: 12th Floor, no B-113, 247 Park, Hindustan C. Bus Stop, Lal Bahadur Shastri Road, Gandhi Nagar, Vikhroli (West), Mumbai -400079	Subsidiary Company
36	Sterlite Convergence Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
37	Nangalbibra-Bongaigaon Transmission Limited Add: DLF Cyber Park, Tower B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Subsidiary Company
38	Kishtwar Transmission Limited Add: YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec. 13, Opp. Metro, Near Radisson Blu, New Delhi-110078	Subsidiary Company
39	Sterlite EdIndia Foundation (Section 8 Company) Add: Maker Maxity, 5 North Avenue, Level 5th Bandra Kurla Complex, Bandra East Mumbai City Maharashtra- 400051	Subsidiary Company
40	Sterlite Brazil Participações S.A. Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room A, Cidade Monções, CEP 04571-010	Subsidiary Company
41	Borborema Transmissão de Energia S.A. Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room D, Cidade Monções, CEP 04571-010	Subsidiary Company
42	São Francisco Transmissão de Energia S.A. Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room F, Cidade Monções, CEP 04571-010	Subsidiary Company
43	Goyaz Transmissão de Energia S.A. Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room G, Cidade Monções, CEP 04571-010	Subsidiary Company
44	Marituba Transmissão de Energia S.A. Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room H, Cidade Monções, CEP 04571-010	Subsidiary Company
45	Solaris Transmissão de Energia S.A. Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room I, Cidade Monções, CEP 04571-010	Subsidiary Company
46	GBS Participações S.A. (Erstwhile Borborema Participações S.A.) Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room E, Cidade Monções, CEP 04571-010	Subsidiary Company
47	Jaçanã Transmissão de Energia S.A. (Erstwhile Jaçanã Energia Ltd) Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room K, Cidade Monções, CEP 04571-010	Subsidiary Company
48	Olindina Participações S.A. (Erstwhile Jaçanã Transmissão de Energia S.A.) Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room J, Cidade Monções, CEP 04571-010	Subsidiary Company
49	Serra Negra Transmissão de Energia S.A. (Erstwhile Veredas Transmissão de Energia S.A.) Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room M, Cidade Monções, CEP 04571-010	Subsidiary Company
50	Tangará Transmissão de Energia S.A. (Erstwhile Cerrado Transmissão de Energia S.A.) Add: City and State of São Paulo, at Avenida Engenheiro Luiz Carlos Berrini, nº 105, Building Berrini One, 12th floor, Room L, Cidade Monções, CEP 04571-010	Subsidiary Company
51	SF 542 Add: Cardeal Arcoverde Street, 2365, CJ 11 E 3, CEP 05407-003, Pinheiros, City of São Paulo, State of São Paulo.	Subsidiary Company

S. No.	Name and address of the Company	Subsidiary/Associate/ Joint Venture
52	Sterlite Grid 13 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Joint Venture Company
53	Sterlite Grid 14 Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Joint Venture Company
54	Sterlite Grid 18 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Joint Venture Company
55	Sterlite Grid 29 Limited Add: Survey No. 99, Madhuban Dam Road, Village Rakholi, Silvassa Dadra & Nagar Haveli 396230	Joint Venture Company
56	Goa-Tamnar Transmission Project Limited Add: DLF Cyber Park, Tower B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Joint Venture Company
57	Mumbai Urja Marg Limited (Erstwhile Vapi II-North Lakhimpur Transmission Limited) Add: DLF Cyber Park, Tower B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Joint Venture Company
58	Udupi Kasargode Transmission Limited Add: DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Joint Venture Company
59	Lakadia-Vadodara Transmission Project Limited Add: DLF Cyber Park, Tower B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram-122008	Joint Venture Company

Notes:

1. The following wholly owned subsidiary companies have been incorporated during FY'2023:
   - Sterlite Grid 31 Limited (w.e.f. May 26, 2022)
   - Sterlite Grid 32 Limited (w.e.f. May 23, 2022)
   - Sterlite Grid 33 Limited (w.e.f. May 25, 2022)
   - Sterlite Grid 34 Limited (w.e.f. June 02, 2022)
   - Sterlite Grid 35 Limited (w.e.f. May 26, 2022)
   - Sterlite Grid 36 Limited (w.e.f. July 20, 2022)
   - Sterlite Grid 37 Limited (w.e.f. July 22, 2022)
   - Sterlite Grid 38 Limited (w.e.f. July 22, 2022)
   - Sterlite Grid 39 Limited (w.e.f. July 22, 2022)
   - Sterlite Grid 40 Limited (w.e.f. July 22, 2022)
   - SF 542 (w.e.f. July 28, 2022)
2. The following wholly owned subsidiary companies have been acquired during FY'2023:
   - Kishtwar Transmission Limited (w.e.f. December 06, 2022)
   - Sterlite Interlinks Limited (w.e.f. June 1, 2022)
   - Serra Negra Transmissão de Energia S.A (w.e.f. June 15, 2022)
   - Tangará Transmissão de Energia S.A. (w.e.f. June 15, 2022)
3. The following companies have ceased to be subsidiaries during FY'2023:
   - SE Vineyards Transmissão de Energia S.A. (w.e.f. November 30, 2022)
   - Vineyards Participações S.A. (w.e.f. November 30, 2022)
   - Khargone Transmission Limited (w.e.f. March 02, 2023)
4. The name of the following companies has been changed during FY'2023:
   - 'Jaçanã Energia Ltd' changed to 'Jaçanã Transmissão de Energia S.A.' (w.e.f. April 22, 2022)
   - 'Jaçanã Transmissão de Energia S.A.' changed to 'Olindina Participaçóies S.A. (w.e.f. July 06, 2022).
5. The address of the Registered Office of the subsidiary/joint venture companies is given as on the date of this Report

Annexure-D

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

FORM AOC-1 - PART A: SUBSIDIARIES

(₹ in million)

S. No.	Name of Subsidiary	Business Activity	The date since when subsidiary was acquired/ incorporated	Country of Incorporation	Reporting currency	Exchange rate (₹)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment**	Turnover*	Profit / (loss) before taxation	Provision for taxation	Profit /(loss) after taxation	Proposed dividend	% of Eq. Holding
1	Sterlite Grid 5 Limited	Building transmission lines on BOOM basis through its subsidiaries	27-09-2016	India	₹	NA	0.50	650.85	1,521.10	869.75	1,497.99	0.00	(110.43)	0.34	(110.77)	Nil	100.00
2	Sterlite Grid 6 Limited	Building transmission lines on BOOM basis through its subsidiaries	14-08-2017	India	₹	NA	0.50	(3.36)	0.49	3.35	0.00#	0.00	(0.05)	0.00	(0.05)	Nil	100.00
3	Sterlite Grid 7 Limited	Building transmission lines on BOOM basis through its subsidiaries	01-09-2017	India	₹	NA	0.50	(4.48)	2.19	6.17	0.00#	0.00	(2.25)	0.00	(2.25)	Nil	100.00
4	Sterlite Grid 8 Limited	Building transmission lines on BOOM basis through its subsidiaries	11-10-2017	India	₹	NA	0.50	(2.82)	0.42	2.74	0.00#	0.00	(0.67)	0.00	(0.67)	Nil	100.00
5	Sterlite Grid 9 Limited	Building transmission lines on BOOM basis through its subsidiaries	13-10-2017	India	₹	NA	0.50	(2.82)	0.01	2.33	0.00#	0.00	(0.68)	0.00	(0.68)	Nil	100.00
6	Sterlite Grid 10 Limited	Building transmission lines on BOOM basis through its subsidiaries	13-10-2017	India	₹	NA	0.50	(2.22)	0.02	1.74	0.00#	0.00	(0.08)	0.00	(0.08)	Nil	100.00
7	Sterlite Grid 11 Limited	Building transmission lines on BOOM basis through its subsidiaries	13-10-2017	India	₹	NA	0.50	(4.25)	0.02	3.77	0.00#	0.00	(0.71)	0.00	(0.71)	Nil	100.00
8	Sterlite Grid 12 Limited	Building transmission lines on BOOM basis through its subsidiaries	16-10-2017	India	₹	NA	0.50	(4.14)	0.01	3.65	0.00#	0.00	(0.66)	0.00	(0.66)	Nil	100.00
9	Sterlite Grid 15 Limited	Building transmission lines on BOOM basis through its subsidiaries	25-09-2018	India	₹	NA	0.50	(2.52)	0.47	2.49	0.00#	0.00	(0.08)	0.00	(0.08)	Nil	100.00
10	Sterlite Grid 16 Limited	Building transmission lines on BOOM basis through its subsidiaries	30-01-2019	India	₹	NA	0.50	18.61	1,910.12	1,891.01	1,750.00	332.43	(6.43)	0.00	(6.43)	Nil	100.00
11	Sterlite Grid 17 Limited	Building transmission lines on BOOM basis through its subsidiaries	04-02-2019	India	₹	NA	0.50	(1.91)	0.02	1.43	0.00#	0.00	(0.67)	0.00	(0.67)	Nil	100.00
12	Sterlite Grid 19 Limited	Building transmission lines on BOOM basis through its subsidiaries	01-02-2019	India	₹	NA	0.50	(2.51)	0.02	2.03	0.00#	0.00	(0.67)	0.00	(0.67)	Nil	100.00
13	Sterlite Grid 20 Limited	Building transmission lines on BOOM basis through its subsidiaries	01-02-2019	India	₹	NA	0.50	(2.63)	0.42	2.55	0.00#	0.00	(0.67)	0.00	(0.67)	Nil	100.00

(₹ in million)

S. No.	Name of Subsidiary	Business Activity	The date since when subsidiary was acquired/ incorporated	Country of Incorporation	Reporting currency	Exchange rate (₹)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment**	Turnover*	Profit / (loss) before taxation	Provision for taxation	Profit /(loss) after taxation	Proposed dividend	% of Eq. Holding
14	Sterlite Grid 21 Limited	Building transmission lines on BOOM basis through its subsidiaries	05-02-2019	India	₹	NA	1.00	(2.51)	0.88	2.39	0.00#	0.00	(0.67)	0.00	(0.67)	Nil	100.00
15	Sterlite Grid 22 Limited	Building transmission lines on BOOM basis through its subsidiaries	28-02-2019	India	₹	NA	1.00	(1.91)	0.01	0.92	0.00#	0.00	(0.08)	0.00	(0.08)	Nil	100.00
16	Sterlite Grid 23 Limited	Building transmission lines on BOOM basis through its subsidiaries	13-03-2019	India	₹	NA	1.00	(1.32)	0.65	0.97	0.00#	0.00	(0.67)	0.00	(0.67)	Nil	100.00
17	Sterlite Grid 24 Limited	Building transmission lines on BOOM basis through its subsidiaries	12-03-2019	India	₹	NA	1.00	103.68	435.52	330.84	254.30	0.00	(14.79)	0.00	(14.79)	Nil	100.00
18	Sterlite Grid 25 Limited	Building transmission lines on BOOM basis through its subsidiaries	18-03-2019	India	₹	NA	1.00	(0.74)	0.31	0.05	0.00#	0.00	(0.08)	0.00	(0.08)	Nil	100.00
19	Sterlite Grid 26 Limited	Building transmission lines on BOOM basis through its subsidiaries	25-03-2019	India	₹	NA	1.00	(4.16)	664.17	667.33	194.42	0.00	(204.92)	0.00	(204.92)	Nil	100.00
20	Sterlite Grid 27 Limited	Building transmission lines on BOOM basis through its subsidiaries	19-03-2019	India	₹	NA	1.00	(2.17)	1.99	3.16	0.00#	0.00	(0.90)	0.00	(0.90)	Nil	100.00
21	Sterlite Grid 28 Limited	Building transmission lines on BOOM basis through its subsidiaries	07-06-2019	India	₹	NA	1.00	(1.51)	0.15	0.66	0.00#	0.00	0.50	0.00	0.50	Nil	100.00
22	Sterlite Grid 30 Limited	Building transmission lines on BOOM basis through its subsidiaries	07-09-2017	India	₹	NA	0.50	(1.38)	0.01	0.89	0.00#	0.00	(0.66)	0.00	(0.66)	Nil	100.00
23	Sterlite Grid 31 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	26-05-2022	India	₹	NA	1.50	(1.21)	0.32	0.03	0.00	0.00	(1.21)	0.00	(1.21)	Nil	100.00
24	Sterlite Grid 32 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	23-05-2022	India	₹	NA	1.50	(1.21)	0.32	0.03	0.00	0.00	(1.21)	0.00	(1.21)	Nil	100.00
25	Sterlite Grid 33 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	25-05-2022	India	₹	NA	1.50	(1.21)	0.32	0.03	0.00	0.00	(1.21)	0.00	(1.21)	Nil	100.00
26	Sterlite Grid 34 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	02-06-2022	India	₹	NA	1.50	(1.21)	0.32	0.03	0.00	0.00	(1.21)	0.00	(1.21)	Nil	100.00
27	Sterlite Grid 35 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	26-05-2022	India	₹	NA	1.50	(0.62)	0.91	0.03	0.00	0.00	(0.62)	0.00	(0.62)	Nil	100.00
28	Sterlite Grid 36 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	20-07-2022	India	₹	NA	0.10	(0.03)	0.10	0.03	0.00	0.00	(0.03)	0.00	(0.03)	Nil	100.00

(₹ in million)

S. No.	Name of Subsidiary	Business Activity	The date since when subsidiary was acquired/ incorporated	Country of Incorporation	Reporting currency	Exchange rate (₹)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment**	Turnover*	Profit / (loss) before taxation	Provision for taxation	Profit /(loss) after taxation	Proposed dividend	% of Eq. Holding
29	Sterlite Grid 37 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	22-07-2022	India	₹	NA	0.10	(0.62)	0.10	0.62	0.00	0.00	(0.62)	0.00	(0.62)	Nil	100.00
30	Sterlite Grid 38 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	22-07-2022	India	₹	NA	0.10	(0.03)	0.10	0.03	0.00	0.00	(0.03)	0.00	(0.03)	Nil	100.00
31	Sterlite Grid 39 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	22-07-2022	India	₹	NA	0.10	(0.03)	0.10	0.03	0.00	0.00	(0.03)	0.00	(0.03)	Nil	100.00
32	Sterlite Grid 40 Limited^^	Building transmission lines on BOOM basis through its subsidiaries	22-07-2022	India	₹	NA	0.10	(0.03)	0.10	0.03	0.00	0.00	(0.03)	0.00	(0.03)	Nil	100.00
33	Khargone Transmission Limited^	Construction and development of Power transmission lines	22-08-2016	India	₹	NA	-	-	-	-	-	1,726.78	140.70	35.54	105.15	Nil	0.00
34	Sterlite EdIndia Foundation (Section 8 Company)	CSR related Activities	07-08-2019	India	₹	NA	0.50	0.28	5.76	4.98	0.00	0.00	(1.79)	0.00#	(1.78)	Nil	99.95
35	Sterlite Convergence Limited	Build, Own, Operate, Manage, Sell, and lease technology - neutral last mile access, Intra-city Aggregaton and long distance links including passive and active infrastructure and telecom networks.	16-06-2017	India	₹	NA	0.50	(41.58)	782.61	823.69	0.00	34.68	(9.44)	0.00	(9.44)	Nil	100.00
36	Sterlite Interlinks Limited^^	Construct, maintain, etc. the infrastructure of Dark Fibre through OPGW / Cabling, ROW, Duct Space and towers on lease/ rent out basis.	01-06-2022	India	₹	NA	0.10	24.53	444.77	420.14	0.00	106.52	(1.39)	0.00	(1.39)	Nil	100.00
37	OneGrid Limited	Build, Own, Operate, Manage, Sell, and lease technology - neutral last mile access, Intra-city Aggregaton and long distance links including passive and active infrastructure and telecom networks.	24-09-2020	India	₹	NA	0.10	(0.14)	0.02	0.06	0.00	0.00	(0.07)	0.00	(0.07)	Nil	100.00
38	Nangalbibra-Bongaigaon Transmission Limited	Construction and development of Power transmission lines	16-12-2021	India	₹	NA	350.10	(5.53)	4,181.91	3,837.34	0.00	0.00	(0.26)	1.55	(1.81)	Nil	100.00

(₹ in million)

S. No.	Name of Subsidiary	Business Activity	The date since when subsidiary was acquired/ incorporated	Country of Incorporation	Reporting currency	Exchange rate (₹)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment**	Turnover*	Profit / (loss) before taxation	Provision for taxation	Profit /(loss) after taxation	Proposed dividend	% of Eq. Holding
39	Maharashtra Transmission Communication Infrastructure Limited	Build, Own, Operate, Manage, Sell, and lease technology - neutral last mile access, Intra-city Aggregaton and long distance links including passive and active infrastructure and telecom networks.	31-03-2022	India	₹	NA	345.51	90.69	3,787.92	3,351.72	0.00	417.77	256.06	40.06	216.00	Nil	64.98
40	Kishtwar Transmission Limited^^	Construction and development of Power transmission lines	06-12-2022	India	₹	NA	254.30	(3.07)	1,207.34	956.11	0.00	0.00	(2.59)	0.46	(3.05)	Nil	100.00
41	Sterlite Brazil Participações S.A.	Construction and development of Power transmission lines	26-05-2017	Brazil	₹	16.23	6,447.94	(2,038.70)	14,193.03	9,783.79	10,332.43	(0.88)	(255.01)	830.83	(1,085.83)	Nil	76.59
42	Vineyards Participações S.A.^	Construction and development of Power transmission lines	01-12-2020	Brazil	₹	16.23	-	-	-	-	0.00	67.33	(54.97)	(8.05)	(46.92)	Nil	-
43	SE Vineyards Transmissão de Energia S.A.^	Construction and development of Power transmission lines	26-05-2017	Brazil	₹	16.23	-	-	-	-	-	-	-	-	-	-	-
44	GBS Participações S.A (Erstwhile Borborema Participações S.A)^^	Construction and development of Power transmission lines	16-04-2021	Brazil	₹	16.23	7,749.38	613.66	18,059.01	9,695.96	16,645.07	-	882.80	(0.01)	882.81	Nil	76.59
45	Borborema Transmissão de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.23	3,157.62	603.78	8,673.35	4,911.95	-	2,645.57	800.74	93.27	707.47	Nil	76.59
46	Goyaz Transmissão de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.23	5,608.50	(77.23)	6,553.02	1,021.75	-	2,457.17	346.48	98.68	257.80	Nil	76.59
47	Solaris Transmissao de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.23	3,170.06	1,568.78	11,207.82	6,468.98	-	4,654.24	1,538.70	156.18	1,382.52	Nil	76.59
48	São Francisco Transmissão de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.23	2,370.53	(1,890.43)	7,577.60	7,097.50	0.00	2,928.71	(1,764.90)	23.90	(1,788.80)	Nil	76.59
49	Marituba Transmissão de Energia S.A.	Construction and development of Power transmission lines	24-07-2018	Brazil	₹	16.23	3,882.05	146.28	16,140.59	12,112.27	0.00	10,694.14	236.48	81.09	155.39	Nil	76.59
50	Olindina Participações S.A. *(Erstwhile Jaçanã Transmissão de Energia S.A.)*	Construction and development of Power transmission lines	21-02-2022	Brazil	₹	16.23	50.83	(0.97)	56.34	6.48	0.00	8.84	(0.66)	0.27	(0.94)	Nil	76.59
51	Serra Negra Transmissão de Energia S.A *(Erstwhile Veredas Transmissão de Energia S.A)*	Construction and development of Power transmission lines	15-06-2022	Brazil	₹	16.23	2.27	(0.48)	2.00	0.21	0.00	-	(0.46)	-	(0.46)	Nil	76.59

(₹ in million)

S. No.	Name of Subsidiary	Business Activity	The date since when subsidiary was acquired/ incorporated	Country of Incorporation	Reporting currency	Exchange rate (₹)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment**	Turnover*	Profit / (loss) before taxation	Provision for taxation	Profit /(loss) after taxation	Proposed dividend	% of Eq. Holding
52	Tangará Transmissão de Energia S.A. *(Erstwhile Cerrado Transmissão de Energia S.A.)*	Construction and development of Power transmission lines	15-06-2022	Brazil	₹	16.23	10.38	(1.15)	9.28	0.05	0.00	-	(0.51)	-	(0.51)	Nil	76.59

^ *Subsidiary sold during the year*
^^ *Entity acquired/ incorporated during the year*
* *Turnover does not include other income*
** *Investment include investment classified as held for sale*
\# *Amount is less than 0.01 million*

BRL Closing Rate: 16.225; BRL Average Rate: 15.587

Names of Subsidiaries which are yet to commence operations - SF 542

Names of Subsidiaries which have been liquidated or sold during the year -

Vineyards Participações S.A.; SE Vineyards Transmissão de Energia S.A., Khargone Transmission Limited.

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

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

(₹ in million)

S. No.	Name of Associate / Joint Ventures	Sterlite Grid 13 Limited	Sterlite Grid 14 Limited	Sterlite Grid 18 Limited	Sterlite Grid 29 Limited	Udupi Kasargode Transmission Limited	Lakadia-Vadodara Transmission Project Limited	Mumbai Urja Marg Limited *(Erstwhile Vapi II-North Lakhimpur Transmission Limited)*	Goa-Tamnar Transmission Project Limited
1	Latest audited Balance Sheet date	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023
2	Date on which the Associate or Joint Venture was associated or acquired	31-03-2021	06-04-2021	06-04-2021	06-04-2021	06-04-2021	06-04-2021	31-03-2021	06-04-2021
3	Shares of Associate/Joint Ventures held by the Company on the year end	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
a	Number	16510511	60000	61861000	39069483	144238875	960907385	634630680	327547
b	Amount of investment (At face value)	165105110	600000	618610000	390694830	1442388750	9609073850	6346306800	3275470
c	% of holding	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
4	Description of how there is significant influence	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding	By virtue of shareholding
5	Reason why the associate / joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA
6	Networth attributable to shareholding as per latest audited Balance sheet	(211.68)	(115.52)	(641.20)	16.80	134.38	277.59	654.23	502.16
7	Profit/Loss for the year	(471.61)	(135.15)	(496.77)	(453.67)	(2.90)	(423.72)	44.92	119.93
a	Considered in consolidation	(235.80)	(67.58)	(248.39)	(226.84)	(1.45)	(211.86)	22.46	59.97
b	Not considered in consolidation	NA	NA	NA	NA	NA	NA	NA	NA

1. Names of associate or joint ventures which are yet to commence operations: Nil
2. Names of associate or joint ventures which have been liquidated or sold during the year: Nil

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

Sd/-	Sd/-	Sd/-	Sd/-
Pravin Agarwal	**Pratik Pravin Agarwal**	**Sanjeev Bhatia**	**Ashok Ganesan**
Chairman	Managing Director	Chief Financial Officer	Company Secretary
DIN: 00022096	DIN: 03040062	PAN: ACTPB6336M	PAN: AHYPK5104G
Date: August 11, 2023	Date: August 11, 2023	Date: August 11, 2023	Date: August 11, 2023
Place: Mumbai	Place: Mumbai	Place: Mumbai	Place: Mumbai

Annexure-E

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023
Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 (**"Audit Period"**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

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

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

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

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

(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the Audit Period)**

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

c) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter after referred as **"SEBI LODR"); (Not applicable to the Company during the Audit Period)**

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018(SEBI **"ICDR"** Regulations); **(Not applicable to the Company during the Audit Period)**

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

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

g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Shares) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**

h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period)**

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

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

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

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

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

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

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

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

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice of at least seven days (except few Board meetings which were held at shorter notice in compliance with the Act) was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.
3. All decisions at Board Meetings were carried out unanimously and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the Board Meetings.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate(s) issued by Managing Director and Company Secretary of the Company and taken on record by the Board of Directors at their meeting(s), **we further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has undertaken the following event / action which may be construed as major in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

1. The Board of Directors at its meeting held on April 21, 2022 has approved the issue of 2,500 (Indian Rupees Two Thousand and Five Hundred) unsecured, unlisted, redeemable Non-Convertible Debentures (**"NCDs"**) of face value of ₹ 10,00,000/- each (Indian Rupees Ten Lakhs Only) aggregating to ₹ 2,50,00,00,000 (Indian Rupees Two Hundred Fifty Crores only) in dematerialised form on private placement basis to Sterlite Grid 16 Limited (**"SGL 16"**), in compliance of Section 42 and 71 of the Act read with rules made thereunder. The aforesaid NCDs were allotted to SGL 16 by Allotment Committee of the Board vide their resolution passed through circulation on May 18, 2022 in accordance with the provisions of the Act.
2. Special Resolution was passed by the members of the Company through Postal Ballot on July 07, 2022 to:
   - Approve the "Sterlite Power Transmission Limited Restricted Stock Unit Scheme 2022" (**"RSU Scheme 2022")** of the Company.
   - Enhance the limit given to the Board under Section 180(1)(a) of the Act w.r.t. sale, lease or otherwise dispose-off whole or substantially the whole of the undertaking(s) of the Company upto ₹ 1,05,00,00,00,000/- (Indian Rupees Ten Thousand Five Hundred Crores only).
3. Special Resolution was passed by the members in their 7th Annual General Meeting held on September 26, 2022, to issue 6,11,81,902 (Six Crores Eleven Lakhs Eighty-One Thousand Nine Hundred Two) fully paid-up equity shares of face value of ₹ 2/- each as bonus shares (**"Bonus Shares"**) to the holders of existing fully paid-up equity shares in the proportion of 1 (One) new bonus equity Share of ₹ 2/- each for every 1 (One) existing fully paid-up Equity Share of ₹ 2/- each held by them in accordance with the provisions of section 63 of the Act read with Rules made thereunder.

   The aforesaid Bonus Shares were allotted to the holders of existing fully paid-up equity shares of the Company by Allotment Committee of the Board vide their resolution passed through circulation on October 20, 2022 in accordance with the provisions of the Act.
4. The Company had filed the Draft Red Herring Prospectus DRHP with SEBI, BSE & NSE for the proposed Initial Public Offer ("IPO") of the Equity Shares of the Company for an aggregate amount of ₹ 12,50,00,00,000/- (Indian Rupees One Thousand Two Hundred and Fifty Crores only) and also received in principal approval from BSE on September, 30, 2021 and from NSE on November 24, 2021. However, the Board of Directors vide its Board resolution dated September 27, 2022 has decided to withdraw of the said DRHP and not to proceed with the IPO.
5. The Board of Directors vide its resolution dated March 24, 2023, subject to the approval of shareholders have accorded their approval for:
   - Option to convert outstanding loan availed from PTC Cables Private Limited ('PTC Cables') into fully paid-up shares (Equity/Preference) of the Company under Section 62(3) of the Act.
   - Increase in the Authorised Share Capital of the Company and consequent amendment in the Memorandum of Association of the Company.

For **DMK ASSOCIATES**
Company Secretaries

Date: August 11, 2023
Place: New Delhi
UDIN: F004140E000787670

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

Annexure-1

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices we follow, provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. As per the information provided by the Company, there are certain disputed cases filed by or against the Company, which are currently lying pending with the various Courts. However, as informed, these cases have no major impact on the Company.

For **DMK ASSOCIATES**
Company Secretaries

Date: August 11, 2023
Place: New Delhi
UDIN: F004140E000787670

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

Annexure-F

The particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

i. **The steps taken or impact on conservation of energy**

- Installation of VFD
  - In place of conventional star-delta starter at high-speed mixer motor to reduce the energy consumption.
  - In place of conventional star-delta starter at fan motors of AHU to reduce the energy consumption.
  - Replaced the conventional high bay lights by LED lights.
  - Lead Sheathing machine for EHV cables connected to UPS.
- Optimised and reduced the electrical capacity of process water circulation pumps to reduce energy consumption.
- The blower supplying air to burners of melting furnaces has been upgraded and Variable Frequency Drivers installed which led to a reduction in power consumption by 25%.
- Power consumption reduction of 28% achieved by increasing the utilisation of the Age Hardening Furnaces.
- The interlock mechanism in Konforming machine contributed to a 10% reduction in energy consumption.
- In Thermal Aluminum rods used for HTLS – Gap Type special product, process engineering resulted in the total cost reduction by 50% largely in energy cost.
- Rooftop Solar Power generation installed of 250 kW in Rakholi Plant couple of years back yielding benefits towards green initiatives.

ii. **The steps taken by the Company for utilising alternate sources of energy**

- Installed 250 kW Solar rooftop at Rakholi plant.

iii. **The capital investment on energy conservation equipment**

- New Dulling machine installed which will work on the turbine concept, resulted in the reduction of 55 kW compressor power supply.
- Tubular machine upgradation for 1+12 bobbin from 1+8 bobbin. Now multiple products can run on this machine in place of single products.
- 91 Strand machine installed to manufacture the higher size of conductor.

B. TECHNOLOGY ABSORPTION

i. **The efforts made towards technology absorption.**

- New test method developed for the test of RM used in EHV cables.
- New Non specular machine procured which will use the steel shots and use the turbine concept which will eliminate the usage of compressed air and no dust accumulation.
- Inhouse ACS & Mega Steel stranding capability developed.

ii. **The benefits derived like product improvement, cost reduction, product development or import substitution.**

- Lead Alloy chemical test developed.
- EHV cables 1C X 1200 Sq.mm X 220Kv Lead sheathed typed tested at external NABL accredited test lab.
- EHV FIPC cables 3C X 300 Sq.mm X 66Kv typed tested at external NABL accredited test lab.
- EHV cables 1C X 630 Sq.mm X 66Kv Lead sheathed typed tested at external NABL accredited test lab.
- MV FIPC cables 3C X 400 Sq.mm X 11Kv typed tested at external NABL accredited test lab.
- New ACCC and ACSS products developed which contributes to lower losses and higher current carrying capacity.
- Product improved 12.3 mm 96F OPGW, 18.8 mm 96F OPGW, PBT-16.7 mm 48F

C. IN CASE OF IMPORTED TECHNOLOGY (IMPORTED DURING THE LAST THREE YEARS RECKONED FROM THE BEGINNING OF THE FINANCIAL YEAR) - Not Applicable

D. THE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT - Not Applicable

E. DETAILS OF FOREIGN EXCHANGE EARNINGS AND OUTGO DURING FY'2023 ARE AS UNDER:

FY'2023	Amount (In ₹ Million)
The foreign exchange earned in terms of actual inflows during the year	14,979
Foreign exchange outgo during the year in terms of actual outflows	6,510

Annexure-G

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. **Brief outline on Corporate Social Responsibility Policy of the Company**
The Company is committed to conduct its business in a socially responsible, ethical, and environment friendly manner and to continuously work towards improving quality of life of the communities including in its operational areas.

2. **Composition of CSR Committee (as on March 31, 2023):**

S. No.	Name of Director[1]	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Pravin Agarwal	Chairman	2	2
2.	Mr. A.R. Narayanaswamy	Member	2	2
3.	Mr. Manish Agrawal[2]	Member	2	1

Notes:
[1]Mr. Pratik Pravin Agarwal ceased to be a member of the CSR Committee effective from April 21, 2022.
[2]Mr. Manish Agrawal was inducted as Member of the Committee effective from April 21, 2022.

3. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company: https://www.sterlitepower.com/investors

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**

5. (a) Average net profit of the Company as per sub-section (5) of Section 135: **₹ (87,77,72,773.45)/- (Negative ₹ 87.78 Crores approx.)**
(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: **Nil (Negative ₹ 1.76 Crores approx.)**
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
(d) Amount required to be set off for the financial year, if any: Nil
(e) Total CSR obligation for the financial year 2022-23 5(b)+5(c)-5(d): Nil

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 2,01,77,765/- (Indian Rupees Two Crores One Lakh Seventy Seven Thousand Seven Hundred and Sixty Five only)
(b) Amount spent in administrative overheads: **₹ 7,62,235/-**
(c) Amount spent on Impact Assessment, if applicable: **Not applicable**
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]= **₹ 2,09,40,000/- (Indian Rupees Two Crore Nine Lakh Forty Thousand only)***
(e) CSR amount spent or unspent for the Financial Year:

Amount spent (In ₹)	Amount Unspent (in ₹)				
Total amount spent for the Financial Year. (In ₹)	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,09,40,000/-*	N.A.				

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

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Nil*
(ii)	Total amount spent for the Financial Year	2,09,40,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,09,40,000
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,09,40,000

**2% of average net profit of the company as per section 135(5) is ₹ (1,75,55,455.47)/- (₹ (1.76) crores approx.)*

(g) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **Nil**

7. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

8. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 – **Not Applicable**

Sd/-
Pravin Agarwal
Chairman-CSR Committee

Date: August 11, 2023
Place: Mumbai

Sd/-
Pratik Pravin Agarwal
Managing Director

Date: August 11, 2023
Place: Mumbai

Financial Statements

STANDALONE

CONSOLIDATED

Independent Auditor's Report

To
The Members of
Sterlite Power Transmission Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Sterlite Power Transmission Limited ("the Company"), which comprise the Balance Sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

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

OTHER INFORMATION

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

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

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

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

RESPONSIBILITY OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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 STATEMENTS

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

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

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

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

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

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

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

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

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 42 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 10 and Note 21 to the standalone financial statements;

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

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 58(i) to the standalone financial statement no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 58(ii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act;

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 23105754BGQUPU8505
Place of Signature: Mumbai
Date: August 11, 2023

Annexure 1

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Sterlite Power Transmission Limited (the "Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

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

(d) The Company has not revalued its property, plant and equipment (including Right-of-use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory, were not noted on physical verification of inventories. Inventories lying with third parties have been confirmed by them as at March 31, 2023 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(b) As disclosed in note 59 to the financial statements, the Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has provided loans and stood guarantee to parties as follows:

(₹ in million)

	Guarantees	Security	Loans*	Advances in nature of loans
Aggregate amount granted/provided during the year:				
- Subsidiaries	2,000.00	-	1,010.27	-
- Joint Ventures	-	-	1,864.09	-
- Other companies	-	-	383.68	-
Balance outstanding as at balance sheet date in respect of above cases:				
- Subsidiaries	2,188.60	-	2,744.89	-
- Joint Ventures	-	-	8,481.85	-
- Other companies	-	-	-	-

** Includes Non-convertible debentures and Compulsory-convertible debentures.*

(b) During the year the investments made, guarantees provided and conditions of the grant of all loans to companies are not prejudicial to the Company's interest. During the year, the Company has not given security and advances in the nature of loans to companies.

Further, during the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to firms, Limited Liability Partnerships or any other parties.

(c) The Company has granted loans during the year to companies, where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has not granted loans and advances in the nature of loans to firms, Limited Liability Partnerships or any other parties.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) The Company had granted loan to Sterlite Grid 5 Limited, a wholly owned subsidiary, which had fallen due during the year and the Company has extended loan tenure during the year to settle the dues of the existing loans.

The aggregate amount of such extended loan and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year are as follows:

(₹ in million)

Name of Parties	Aggregate amount of loans or advances in the nature of loans granted during the year	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Sterlite Grid 5 limited	3,258.03	643.73	19.76%

(f) As disclosed in note 8 to the financial statements, during the year, the Company has granted loans which are repayable on demand to companies which are related parties ('wholly owned subsidiaries') as defined in clause (76) of section 2 of the Companies Act, 2013. None of these loans are granted to promoters.

(₹ in million)

	Wholly owned subsidiaries
Aggregate amount of loans/ advances in nature of loans	
- Repayable on demand	41.30
Percentage of loans/ advances in nature of loans to the total loans	1.95%

During the year, the Company has not granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to firms, Limited Liability Partnerships or any other parties.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of power conductors, power cables and engineering procurement and construction services and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

(₹ in million)

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act 1944	Excise	73.56	FY 2000-01, FY 2001-02	Bombay High Court
Orissa Value Added Tax Act, 2004	CST	2.86	FY 2016-17, FY 2017-18	Office of the Addl. Commissioner of CT & GST (Appeal)-Sambalpur
West Bengal VAT Act, 2003	CST	6.10	FY 2014-15, FY 2015-16	Jt. Commissioner Appeal, Medinipur(WB)
Delhi VAT Act, 2004	CST	27.64	FY 2014-15	Assistant Commissioner, DVAT
Madhya Pradesh VAT Act, 2002	CST/ET/ VAT	19.06	FY 2015-16	Additional Commissioner Appeal, Bhopal (MP)
Jharkhand VAT Act, 2005	CST	1.46	FY 2017-18	Assessing Officer
Goods & Services Tax Act, 2017	GST	77.74	FY 2017-18, FY 2018-19, FY 2021-22	Joint Commissioner of State Tax, Chattisgarh
Goods & Services Tax Act, 2017	GST	0.35	FY 2021-22	Joint Commissioner of State Tax, Uttarakhand
Goods & Services Tax Act, 2017	GST	0.89	FY 2022-23	Assistant Commissioner (UP)
CGST Act, 2017	IGST	1,827.39	FY 2018-19, FY 2019-20	Office of the Commissioner, Central GST
Income Tax Act, 1961	Income Tax	3.68	AY 2018-19, AY 2019-20	Commissioner of Income-tax (Appeals)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

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

(xix) On the basis of the financial ratios disclosed in note 57 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company was not required to spend any amount in respect of Corporate Social Responsibility activities under section 135 (5) of the Companies Act, 2013 for the year ended March 31, 2023, Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 23105754BGQUPU8505
Place of Signature: Mumbai
Date: August 11, 2023

Annexure 2

To the Independent Auditor's Report of even date on the Standalone Financial Statements of Sterlite Power Transmission Limted

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to standalone financial statements of Sterlite Power Transmission Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 23105754BGQUPU8505
Place of Signature: Mumbai
Date: August 11, 2023

Balance Sheet

as at March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Note	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,014.38	2,130.63
Capital work in progress	4	35.95	20.01
Other intangible assets	5	69.93	96.29
Right-of-use assets	3	437.45	549.41
Investments in associate	6	-	0.05
Financial assets			
i. Investments	7	12,648.10	11,445.10
ii. Loans	8	1,881.97	1,165.66
iii. Trade receivables	9	-	-
iv. Other financial assets	10	1,183.39	915.03
Income tax asset (net)		359.07	768.89
Other non-current assets	11	434.04	435.13
Total non-current assets		**19,064.28**	**17,526.20**
Current assets			
Inventories	13	7,245.87	2,204.57
Financial assets			
i. Investments	7	805.00	-
ii. Loans	8	231.10	4,586.26
iii. Trade receivables	9	16,772.24	13,491.50
iv. Cash and cash equivalents	14	3,221.10	1,859.54
v. Other bank balances	15	978.80	465.64
vi. Other financial assets	10	1,845.49	2,035.87
Other current assets	11	5,611.33	3,875.83
Total current assets		**36,710.93**	**28,519.21**
Assets classified as held for sale	12	-	101.35
		36,710.93	**28,620.56**
TOTAL ASSETS		**55,775.21**	**46,146.76**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	244.72	122.36
Other equity			
i. Securities premium	17	4,450.46	4,536.80
ii. Retained earnings	17	17,786.19	14,932.38
iii. Others	17	(4,098.77)	38.55
Total equity		**18,382.60**	**19,630.09**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	430.00	187.61
ii. Lease liabilities	40	344.88	444.27
iii. Other financial liabilities	21	24.55	149.21
Employee benefit obligations	22	55.73	74.04
Other non-current liabilities	25	-	2,249.29
Deferred tax liabilities (net)	23	23.62	300.25
Total non-current liabilities		**878.78**	**3,404.67**
Current liabilities			
Financial liabilities			
i. Borrowings	20	4,286.09	2,325.47
ii. Lease liabilities	40	97.16	86.33
iii. Trade payables	24		
- total outstanding dues of micro enterprises and small enterprises		908.41	497.00
- total outstanding dues of creditors other than micro enterprises and small enterprises		16,352.10	12,500.56
iv. Other financial liabilities	21	1,167.46	861.64
Employee benefit obligations	22	77.63	106.26
Other current liabilities	25	13,407.71	6,384.30
Current tax liability (net)		217.27	350.44
Total current liabilities		**36,513.83**	**23,112.00**
TOTAL EQUITY AND LIABILITIES		**55,775.21**	**46,146.76**
Summary of significant accounting policies	2.2		

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 11 August 2023

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: 11 August 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 11 August 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN : ACTPB6336M
Place: Mumbai
Date: 11 August 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN : AHYPK5104G
Place: Mumbai
Date: 11 August 2023

Statement of Profit and Loss

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Note	31 March 2023	31 March 2022
INCOME			
Revenue from operations	26	39,235.14	37,973.84
Other income	28	188.98	371.85
Total income (I)		**39,424.12**	**38,345.69**
EXPENSES			
Cost of raw material and components consumed	29	17,384.00	12,003.35
Purchase of traded goods		674.55	579.31
Construction material and contract expenses	30	10,030.19	16,262.68
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	31	(1,287.48)	176.85
Employee benefits expense	32	2,020.40	2,046.60
Other expenses	33	5,023.42	3,621.75
Total expenses (II)		**33,845.08**	**34,690.54**
Earning before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		**5,579.04**	**3,655.15**
Depreciation and amortisation expense	34	438.40	390.65
Finance costs	35	1,942.29	1,119.57
Finance income	27	(1,064.46)	(849.28)
Profit before tax before exceptional items and tax		**4,262.81**	**2,994.21**
Exceptional items	36	-	(117.00)
Profit before tax		**4,262.81**	**2,877.21**
Tax expense:			
(i) Current tax	23	830.29	541.91
(ii) Income tax for earlier years (31 March 2022: refer note 56)	23	(29.69)	(145.07)
(iii) Deferred tax	23	242.10	14.59
Income tax expense		**1,042.70**	**411.43**
Profit for the year		**3,220.11**	**2,465.78**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges		(2,336.56)	2,816.88
Income tax effect		530.74	(307.38)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**(1,805.82)**	**2,509.50**
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans		(3.84)	(10.39)
Income tax effect		0.97	2.61
Net gain/(loss) on FVTOCI equity securities		(2,807.69)	1,621.69
Income tax effect		(12.98)	(710.02)
Net other comprehensive gain/(loss) not to be reclassified to profit or loss in subsequent periods		**(2,823.54)**	**903.89**
Other comprehensive income/(loss) for the year		**(4,629.36)**	**3,413.39**
Total comprehensive income for the year		**(1,409.25)**	**5,879.17**
Earnings per equity share [nominal value of ₹ 2 (31 March 2022: ₹ 2)]	37		
Basic (₹ per share)		**26.32**	**20.15**
Diluted (₹ per share)		**26.27**	**20.15**
Summary of significant accounting policies	2.2		

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 11 August 2023

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: 11 August 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 11 August 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN : ACTPB6336M
Place: Mumbai
Date: 11 August 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN : AHYPK5104G
Place: Mumbai
Date: 11 August 2023

Cash Flow Statement

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2023	31 March 2022
A. OPERATING ACTIVITIES		
Net profit as per statement of profit and loss	3,220.11	2,465.78
Adjustment for taxation	1,042.70	411.43
Profit before tax	**4,262.81**	**2,877.21**
Non-cash and non-operating adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	438.40	390.65
Profit/(loss) on sale of property, plant and equipment, (net)	0.24	4.48
Impairment allowance/(reversal) for trade receivables	(31.74)	103.59
Reversal of impairment of investment and loans	(154.71)	(150.53)
Impairment on investment and loans	409.28	59.98
Net gains on sale of investment in an associate and units of India Grid Trust	-	(297.50)
Fair value gain on financial instruments measured at fair value through profit and loss	(4.95)	-
Gain on sale of mutual funds	(1.86)	-
Share based payment expense	59.06	-
Finance costs	1,942.29	1,119.57
Finance income	(1,064.46)	(849.28)
Income on investment in India Grid Trust	-	(11.47)
	1,591.55	**369.49**
Operating profit before working capital changes	**5,854.36**	**3,246.70**
Movements in working capital :		
Increase/(decrease) in trade payables	4,231.88	(596.55)
Increase/(decrease) in employee benefit obligations	(50.78)	5.46
Increase/(decrease) in other liabilities	4,796.25	(2,427.30)
Increase/(decrease) in other financial liabilities	(2,074.76)	829.71
(Increase) in trade receivables	(3,249.00)	(3,839.68)
(Increase)/decrease in inventories	(5,041.30)	1,286.53
Decrease in other financial assets	(73.47)	571.39
(Increase)/decrease in other assets	(1,734.42)	1,631.19
Change in working capital	**(3,195.60)**	**(2,539.25)**
Cash generated from operations	**2,658.76**	**707.45**
Direct taxes paid (net of refunds)	(523.95)	(385.86)
Net cash flow from operating activities (A)	**2,134.81**	**321.59**
B. INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including capital work in progress and capital advances	(234.02)	(161.64)
Proceeds from sale of property, plant and equipment	3.78	51.71
Proceeds from sale of investments	60.55	-
Investment in equity share capital, compulsorily convertible debentures and non convertible debenture	(2,363.01)	(4,683.84)
Proceed from sale of non convertible debenture	-	1,914.23
Proceeds from sale of investment in an associate and units of India Grid Trust	-	643.68
Consideration paid for Maharashtra Transmission Communication Infrastructure Limited (refer note 7(e))	(100.00)	(200.00)
Investment in bank deposits (net)	(779.34)	2,734.65
Loans given	(900.17)	(1,217.28)
Loans repaid	3,372.71	1,776.48
Payment for indemnification expenses as per share purchase agreement	(39.43)	(231.05)
Purchase of mutual funds	(2,200.00)	-
Sale of mutual funds	1,401.84	9.07
Income on investment in India Grid Trust	-	11.47
Finance income received	119.64	210.20
Consideration received for sale of projects	559.89	279.93
Net cash flow from/(used in) investing activities (B)	**(1,097.56)**	**1,137.61**

Cash Flow Statement

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2023	31 March 2022
C. FINANCING ACTIVITIES		
Proceeds of long term borrowings	2,644.49	750.21
Repayment of long term borrowings	(1,125.00)	(977.61)
Proceeds of borrowings from related party	430.00	-
Repayment of lease liability	(142.27)	(67.82)
Proceeds from short term borrowings	651.67	6,082.85
Repayment of short term borrowings	(398.15)	(6,010.64)
Interest paid	(1,736.43)	(1,008.46)
Dividend paid	-	(317.97)
Net cash flow from/(used in) in financing activities (C)	**324.31**	**(1,549.44)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**1,361.56**	**(90.24)**
Cash and cash equivalents as at beginning of the year	1,859.54	1,868.45
Cash and cash equivalents on merger (refer note 56)	-	81.33
Cash and cash equivalents as at year end	3,221.10	1,859.54
Components of cash and cash equivalents:		
Balances with banks:		
On current accounts	1,017.99	759.51
Deposit with original maturity of less than 3 months	2,203.08	1,100.00
Cash in hand	0.03	0.03
Total cash and cash equivalents (refer note 14)	**3,221.10**	**1,859.54**

Reconciliation between opening and closing liabilities arising from financing activities

(₹ in million)

Particulars	Long term borrowings	Short term borrowing
31 March 2021	375.00	7,129.90
Cash flow		-
- Interest	(47.63)	(960.84)
- Addition in short term borrowings on account of merger of Sterlite Grid 4 Limited (refer note 56)	-	2,182.32
- Proceeds/(repayments)	(227.40)	72.21
Non-cash changes		-
- Classified as current maturities	40.00	(40.00)
- Inter Company borrowings eliminated on account of merger of Sterlite Grid 4 Limited (refer note 56)	-	(6,761.18)
- Interest accrual for the year	47.81	1,054.89
31 March 2022*	**187.78**	**2,677.30**
Cash flow		
- Interest	(401.20)	(1,335.23)
- Proceeds/(repayments)	1,949.49	253.52
Non-cash changes		
- Classified as current maturities	(1,707.10)	1,707.10
- Interest accrual for the year	402.10	1,474.29
31 March 2023*	**431.07**	**4,776.98**

Including interest accrual as at year end.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 11 August 2023

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: 11 August 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 11 August 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN : ACTPB6336M
Place: Mumbai
Date: 11 August 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN : AHYPK5104G
Place: Mumbai
Date: 11 August 2023

Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in ₹ million unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	Nos. in million	₹ in million
As at 1 April 2021	**61.18**	**122.36**
Equiry share issued during the year	-	-
Changes in equity share capital due to prior period errors	-	-
As at 31 March 2022	**61.18**	**122.36**
Increase in equity share capital on account of issue of bonus shares [refer note 16(b)]	61.18	122.36
Changes in equity share capital due to prior period errors	-	-
As at 31 March 2023	**122.36**	**244.72**

B. OTHER EQUITY

	Securities premium	Retained earnings	Share based payment reserve	FVTOCI reserve	Cash flow hedge reserve	Debenture redemption reserve	Capital redemption reserve	Total equity
As at 1 April 2021	**4,536.80**	**1,820.28**	**-**	**6,517.29**	**769.94**	**-**	**36.02**	**13,680.33**
Profit for the year	-	2,465.78	-	-	-	-	-	2,465.78
Other comprehensive income	-	(7.78)	-	911.67	2,509.50	-	-	3,413.39
Total comprehensive income	**-**	**2,458.00**	**-**	**911.67**	**2,509.50**	**-**	**-**	**5,879.17**
Net realised gain on sale of investment transferred from FVTOCI reserve to retained earnings	-	336.65	-	(336.65)	-	-	-	-
Dividend appropriation	-	(324.26)	-	-	-	-	-	(324.26)
Adjustment on merger of Sterlite Grid 4 Limited	-	10,441.71	-	(8,692.88)	-	200.00	-	1,948.83
Transfer from debenture redemption reserve (refer note 17.5)	-	200.00	-	-	-	(200.00)	-	-
Amount reclassified to statement of profit and loss	-	-	-	-	(1,676.34)	-	-	(1,676.34)
As at 31 March 2022	**4,536.80**	**14,932.38**	**-**	**(1,600.57)**	**1,603.10**	**-**	**36.02**	**19,507.73**
Profit for the year	-	3,220.11	-	-	-	-	-	3,220.11
Other comprehensive income	-	(2.87)	-	(2,820.67)	(1,805.82)	-	-	(4,629.36)
Total comprehensive Income	**-**	**3,217.24**	**-**	**(2,820.67)**	**(1,805.82)**	**-**	**-**	**(1,409.25)**
Net realised gain on sale of investment transferred from FVTOCI reserve to retained earnings	-	8.93	-	(8.93)	-	-	-	-
Options granted during the year (refer note 54)	-	-	59.06	-	-	-	-	59.06
Dividend appropriation (refer note 18)	-	(122.36)	-	-	-	-	-	(122.36)
Amount utilised for issuance of bonus shares (refer note 17.1 & 17.4)	(86.34)	-	-	-	-	-	(36.02)	(122.36)
Debenture redemeption reserve created during the year (refer note 17.5)	-	(250.00)	-	-	-	250.00	-	-
Amount reclassified to statement of profit and loss	-	-	-	-	225.06	-	-	225.06
As at 31 March 2023	**4,450.46**	**17,786.19**	**59.06**	**(4,430.17)**	**22.34**	**250.00**	**-**	**18,137.88**

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 11 August 2023

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: 11 August 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 11 August 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN : ACTPB6336M
Place: Mumbai
Date: 11 August 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN : AHYPK5104G
Place: Mumbai
Date: 11 August 2023

Notes to Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ million unless otherwise stated)

1. CORPORATE INFORMATION

Sterlite Power Transmission Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at 4th Floor, Godrej Millennium, Koregaon Park, Pune, Maharashtra, India. The CIN of the Company is U74120PN2015PLC156643.

The Company is primarily engaged in the business of Power products and solutions. Power products and solutions mainly include manufacturing of power transmission conductors, optical ground wire cables and power cables. It also includes execution of Engineering, Procurement and Construction Contracts for replacement of power transmission conductors, optical ground wire cables and power cables as a part of master system integration business.

The Company, directly or indirectly, through its subsidiaries, acts as a developer on Build Own Operate & Maintain ("BOOM") basis, for designing, financing, construction and maintenance of power transmission systems for concessional periods ranging from 25 to 35 years. The Company also undertakes the Engineering, Procurement and Construction Contracts for construction of power transmission systems.

The standalone financial Statements were approved for issue in accordance with resolution passed by the Board of Directors of the Company on 11 August 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments.
- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments).
- Defined benefit obligations, plan assets measured at fair value.

The standalone financial statements are presented in Indian Rupees millions, except when otherwise indicated.

2.2 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Company in preparing its standalone financial statements:

a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

b) Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

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

External valuers are involved for valuation of significant assets such as investment in subsidiaries and joint ventures. Involvement of external valuers is decided by the management on a need basis and with relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The management decides after discussion with the external valuers, which valuation techniques and inputs to use for each case.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

At each reporting date, the management analyses the movement of assets and liabilities which are required to be premeasured or reassessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. The valuation results are discussed at the Audit Committee.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates, and assumptions (note 38, 46 & 47)
- Quantitative disclosures of fair value measurement hierarchy (note 47)
- Investment in Non-Convertible Debentures (note 46 and 47)
- Investment in Compulsorily Convertible Debentures (note 46 and 47)
- Investment in mutual funds (note 46 and 47)
- Financial instruments (note 47)
- Investment in unquoted equity shares (note 46 and 47)

d) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Amounts disclosed as revenue are net of goods and service tax (GST).

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 38.

Sale of power products and traded goods

Revenue from sale of power products and traded goods are recognised at a point of time upon delivery of conductor, power cable or traded aluminium ingots and rods and payment is generally due within 30 to 180 days from invoice. Some contracts provide the Company right to receive price variation from customers on account of changes in metal prices.

Rendering of services

Revenues from services are recognised when the services are rendered. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Revenue from Engineering, Procurement and Construction (EPC) projects

Revenue from fixed price construction contracts for power transmission lines and supply & installation of power transmission products is recognised as the performance obligation is satisfied progressively over the contract period. The Company's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the achievement of contractual milestones.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that the contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the statement of profit and loss.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Where the profit from a contract cannot be estimated reliably, revenue is only recognised equalling the expenses incurred to the extent that it is probable that the expenses will be recovered.

Revenue from services rendered to joint ventures
Services rendered to joint ventures represent the performance obligation for providing various consultation and agency services in relation to joint venture entities which are satisfied over time.

Contract modifications:
Contract modifications are defined as changes in the scope of the work, other than changes envisaged in the original contract, that may result in a change in the revenue associated with that contract. Modifications to approval before billings can be issued and the amounts relating to the additional work can be collected. The Company does not recognise the revenue from such additional work until the customer's approval has been obtained. In cases where the additional work has been approved but the corresponding change in price has not been determined, the requirement described below for variable consideration is applied: namely, to recognise revenue for an amount with respect to which it is highly probable that a significant reversal will not occur. The costs associated with these additional units or services performed are recognised when incurred, irrespective of whether or not the modification has been approved.

Variable considerations:
If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Contract balance
Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

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

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

e) Government grants
Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

f) Taxes
Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

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

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside of profit or loss is recognised outside of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Goods and service tax paid on acquisition of assets or on incurring expenses
Expenses and assets are recognised net of the amount of goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

g) **Assets held for sale**

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned.

The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised. Refer note 12 for further disclosures.

- A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:
- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

h) **Property, plant and equipment**

Certain items of freehold land have been measured at fair value at the date of transition to Ind AS.
The Company regards the fair value as deemed cost at the transition date, viz., April 01, 2015.

Capital work in progress, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or to be incurred on the assets of plant and equipment.

Notes to Financial Statements

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Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Category	Useful Life considered	Useful life (Schedule II#)
Buildings (Factory/Office) **	10-60 Years *	30/60 Years
Plant and machinery	2 - 20 Years *	Continuous process plant- 25 Years Others- 15 Years
Furniture and fixtures	3 - 10 Years *	10 Years
Data processing equipment	3 - 6 Years *	Service and networks- 6 Years and desktops and laptop etc - 3 Years
Office equipment	2 - 5 Years *	5 Years
Electric fittings	4 - 20 Years *	10 Years
Vehicles	3 - 5 Years *	8 Years
Leasehold improvements	Lease period	Lease period

** Considered on the basis of management's estimation, supported by technical advice, of the useful lives of the respective assets.*

*** Includes roads for which life considered is 15-25 years.*

 # Residual value considered as 5% on the basis of management's estimation, supported by technical advice.

The Company, based on technical assessments made by technical experts and management estimates, depreciates the certain items of building, plant and machinery, data processing equipment, furniture and fixtures, office equipment, electric fittings, vehicles and other telecom networks equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

i) **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the Statement of Profit and Loss in the period in which the expenditure is incurred.

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

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss.

The Company does not have any intangible assets with indefinite useful lives.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Softwares are amortised on a straight-line basis over the period of three to five years.

j) Borrowing Costs
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) Leases
The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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

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

- Land- 99 years
- Office building – 1 to 5 years
- Vehicles – 3 to 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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

ii) Lease Liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

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

Company as lessor
Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

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

Raw materials, components, construction material, stores and spares, packing materials and others: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis except for aluminium wherein the cost is determined on specific identification method based on the costing details of each project.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis except for aluminium conductors wherein the cost is determined on specific identification method based on the costing details of each project.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

m) Impairment of non-financial assets
The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

Impairment losses of continuing operations, including impairment on inventories, impairment of Compulsorily Convertible Debentures and Non-Convertible Debentures are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

n) Provisions

General

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

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

Warranty provisions

The Company provides warranties for general repairs of defects that existed at the time of sale, as required by the contract with the customers. Provisions related to these assurance-type warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Notes to Financial Statements

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o) Retirement and other employee benefits

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

The Company has a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

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

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

- Net interest expense or income

The Company provides other benefits in the form of compensated absences. The employees of the Company are entitled to compensated absences based on the unavailed leave balance. The Company records liability based on actuarial valuation computed under projected unit credit method. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the entire leave encashment liability as a current liability in the balance sheet since the Company does not have an unconditional right to defer its settlement for more than 12 months after the reporting date.

p) Share-based payments

The Company issues equity-settled options to certain employees. These are measured at fair value on the date of grant. The fair value determined at the grant date of the equity settled share-based options is expensed over the vesting period, based on the Company's estimate of the shares that will eventually vest.

Fair value is measured using Black-Scholes framework and is recognized as an expense, together with a corresponding increase in equity, over the period in which the options vest using the graded vesting method. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The expected volatility and forfeiture assumptions are based on historical information.

The dilutive effect of outstanding options if any, is reflected as additional share dilution in the computation of diluted earnings per share.

q) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or

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for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

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

The Company's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Financial assets at amortised cost

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

iii. Financial assets at fair value through profit or loss (FVTPL)

iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost

A 'financial assets' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to trade receivables and loan to subsidiaries included under other non-current financials assets. For more information on receivables, refer to note 9.

Financial assets at FVTOCI

A 'financial assets' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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

Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Financial asset included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

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b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings. For more information refer note 19 and note 20.

Buyers' Credit/Suppliers' Credit

The Company enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up within 12 months to 36 months. Where these arrangements are with a maturity of up to twelve months the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/suppliers' credit (under Trade payables). Interest expense on these are recognised in the finance cost.

Derecognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity

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price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.

Offsetting of financial instruments

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

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r) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

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

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

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

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

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s) **Earnings per share (EPS)**
Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the period.

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

t) **Cash and cash equivalents**
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

u) **Cash dividend distribution to equity holders of the Company**
The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

v) **Presentation of EBITDA**
The Company presents Earnings before interest, tax, depreciation and amortisation ('EBITDA') in the statement of profit or loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule III allows companies to present line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance.

Accordingly, the Company has elected to present EBITDA as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance income, finance costs and tax expense.

2.3 New and amended standards

Amendments to Standards effective 1 April 2022
Indian Accounting Standards rules have been amended via notification dated 23 March 2022. The amendments were applicable from 01 April 2022, but did not have a material impact on the financial statements of the Company.

- Amendments to Ind AS 101 – First-time Adoption of Ind AS
- Amendments to Ind AS 103 - Business Combination
- Amendments to Ind AS 109 – Financial Instruments
- Amendments to Ind AS 16 – Property, Plant and Equipment
- Amendments to Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- Amendments to Ind AS 41 - Agriculture

Amendments to Standards effective 1 April 2023
The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023 which are not expected to have material impact on the financial statements of the Company.

- **Ind AS 1 – Presentation of Financial Statements**
  The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

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- **Ind AS 12 – Income Taxes**
  The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.
- **Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**
  The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

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NOTE 3: PROPERTY, PLANT AND EQUIPMENT & RIGHT-OF-USE ASSETS

(₹ in million)

DESCRIPTION	Owned assets: Freehold land	Leasehold improvements	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Electrical installations	Data processing equipment	Sub-total (A)	Right-of-use assets: Land	Office building	Vehicles	Sub-total (B)	Total (A+B)
Cost															
As at 01 April 2021	**485.89**	**60.64**	**1,029.56**	**3,059.04**	**46.94**	**26.61**	**46.07**	**251.30**	**134.77**	**5,140.82**	**3.17**	**184.71**	**10.67**	**198.55**	**5,339.37**
Additions	-	-	2.68	147.18	0.21	-	7.11	12.86	27.02	197.06	-	599.83	-	599.83	796.89
Disposals	-	36.52	30.95	76.37	10.61	6.73	6.92	-	10.78	178.88	-	-	3.91	3.91	182.79
As at 31 March 2022	**485.89**	**24.12**	**1,001.29**	**3,129.85**	**36.54**	**19.88**	**46.26**	**264.16**	**151.01**	**5,159.00**	**3.17**	**784.54**	**6.76**	**794.47**	**5,953.47**
Additions	-	-	17.70	121.17	0.76	4.50	7.29	-	8.73	160.15	6.74	-	-	6.74	166.89
Disposals	-	-	-	14.40	6.36	14.61	10.33	0.01	1.37	47.08	-	-	-	-	47.08
As at 31 March 2023	**485.89**	**24.12**	**1,018.99**	**3,236.62**	**30.94**	**9.77**	**43.22**	**264.15**	**158.37**	**5,272.07**	**9.91**	**784.54**	**6.76**	**801.21**	**6,073.28**
Accumulated depreciation															
As at 1 April 2021	**-**	**56.40**	**382.45**	**2,133.65**	**39.61**	**15.50**	**37.02**	**136.73**	**104.79**	**2,906.15**	**0.28**	**165.22**	**2.82**	**168.32**	**3,074.47**
Depreciation charged during the year	-	3.52	33.94	160.28	2.59	4.66	5.08	15.20	19.64	244.91	0.04	76.38	2.49	78.91	323.82
Disposals	-	35.86	34.53	21.54	9.96	4.68	6.10	-	10.02	122.69	-	-	2.17	2.17	124.86
As at 31 March 2022	**-**	**24.06**	**381.86**	**2,272.39**	**32.24**	**15.48**	**36.00**	**151.93**	**114.41**	**3,028.37**	**0.32**	**241.60**	**3.14**	**245.06**	**3,273.43**
Depreciation charged during the year	-	-	77.22	144.09	0.63	0.52	5.07	26.59	18.27	272.39	0.08	116.91	1.71	118.70	391.09
Disposals	-	-	-	16.42	6.05	11.32	9.06	0.01	0.21	43.07	-	-	-	-	43.07
As at 31 March 2023	**-**	**24.06**	**459.08**	**2,400.06**	**26.82**	**4.68**	**32.01**	**178.51**	**132.47**	**3,257.69**	**0.40**	**358.51**	**4.85**	**363.76**	**3,621.45**
Net block as at 31 March 2022	**485.89**	**0.06**	**619.43**	**857.46**	**4.30**	**4.40**	**10.26**	**112.23**	**36.60**	**2,130.63**	**2.85**	**542.94**	**3.62**	**549.41**	**2,680.04**
Net block as at 31 March 2023	**485.89**	**0.06**	**559.91**	**836.56**	**4.12**	**5.09**	**11.21**	**85.64**	**25.90**	**2,014.38**	**9.51**	**426.03**	**1.91**	**437.45**	**2,451.83**

Title deeds in respect of all the immovable properties are in the name of the Company.

NOTE 4: CAPITAL WORK IN PROGRESS

Particulars	(₹ in million)
As at 1 April 2021	**5.96**
Additions	211.11
Capitalised during the year	(197.06)
As at 31 March 2022	**20.01**
Additions	176.09
Capitalised during the year	(160.15)
As at 31 March 2023	**35.95**

Capital work in progress mainly includes capital expenditure incurred for plant & machinery.

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Following is the ageing of capital work in progress

(₹ in million)

Particulars	Amount in capital work in progress for: As at 31 March 2023: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	As at 31 March 2022: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	35.95	-	-	-	35.95	19.11	0.22	0.68	-	20.01
Total	**35.95**	**-**	**-**	**-**	**35.95**	**19.11**	**0.22**	**0.68**	**-**	**20.01**

There are no projects for which completion is overdue or has exceeded its cost compared to its original budget.]

NOTE 5: INTANGIBLE ASSETS

(₹ in million)

DESCRIPTION	Software/Licenses
Cost	
As at 01 April 2021	**311.84**
Additions	10.93
As at 31 March 2022	**322.77**
Additions	21.06
Disposals	24.41
As at 31 March 2023	**319.42**
Amortisation	
As at 01 April 2021	**159.65**
Amortisation charge for the year	66.83
As at 31 March 2022	**226.48**
Amortisation charge for the year	47.31
Disposals	24.30
As at 31 March 2023	**249.49**
Net block as at 31 March 2022	**96.29**
Net block as at 31 March 2023	**69.93**

NOTE 6 : INVESTMENTS IN ASSOCIATE

(₹ in million)

	31 March 2023	31 March 2022
Non-current		
Investment in equity shares- unquoted (valued at cost)		
Sterlite Interlinks Limited [refer note 7(f)]		
Nil (31 March 2022: 4,900) equity shares of ₹ 10 each fully paid up	-	0.05
Total	**-**	**0.05**

NOTE 7: INVESTMENTS

(₹ in million)

	31 March 2023	31 March 2022
NON-CURRENT		
Investments in equity shares- unquoted (valued at fair value through other comprehensive income)		
Investments in joint ventures		
Sterlite Grid 13 Limited	121.07	502.93
1,65,10,511 (31 March 2022: 3,10,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 14 Limited (refer note d below)	181.44	105.29
60,000 (31 March 2022: 60,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 18 Limited (refer note a & d below)	102.57	-

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(₹ in million)

	31 March 2023	31 March 2022
6,18,61,000 (31 March 2022: 6,18,61,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 29 Limited (refer note c & d below)	36.46	760.63
3,90,69,483 (31 March 2022: 3,90,69,483) equity shares of ₹ 10 each fully paid up		
Investments in subsidiaries		
Sterlite Grid 5 Limited (refer note c below)	-	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 6 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 7 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 8 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 9 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 10 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 11 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 12 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 15 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 16 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 17 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 19 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 20 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 21 Limited	1.00	1.00
1,00,000 (31 March 2022: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 22 Limited	1.00	1.00
1,00,000 (31 March 2022: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 23 Limited	1.00	1.00
1,00,000 (31 March 2022: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 24 Limited	1.00	1.00
1,00,000 (31 March 2022: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 25 Limited	1.00	1.00
1,00,000 (31 March 2022: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 26 Limited	-	1.00
1,00,000 (31 March 2022: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 27 Limited	1.00	1.00
1,00,000 (31 March 2022: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 28 Limited	1.00	1.00
1,00,000 (31 March 2022: 1,00,000) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 30 Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		

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(₹ in million)

	31 March 2023	31 March 2022
Sterlite Grid 31 Limited	1.50	-
1,50,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 32 Limited	1.50	-
1,50,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 33 Limited	1.50	-
1,50,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 34 Limited	1.50	-
1,50,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 35 Limited	1.50	-
1,50,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 36 Limited	0.10	-
10,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 37 Limited	0.10	-
10,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 38 Limited	0.10	-
10,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 39 Limited	0.10	-
10,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Grid 40 Limited	0.10	-
10,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Sterlite Convergence Limited	0.50	0.50
50,000 (31 March 2022: 50,000) equity shares of ₹ 10 each fully paid up		
Sterlite Interlinks Limited (refer note f below)	13.41	-
10,000 (31 March 2022: Nil) equity shares of ₹ 10 each fully paid up		
Maharashtra Transmission Communication Infrastructure Limited (refer note e below)	411.15	411.15
2,24,51,766 (31 March 2022: 2,24,51,766) equity shares of ₹ 10 each fully paid up		
Sterlite EdIndia Foundation	0.50	0.50
49,979 (31 March 2022: 49,977) equity shares of ₹ 10 each fully paid up		
Sterlite Brazil Participacoes S.A.	2,717.26	3,340.96
30,43,91,209 (31 March 2022: 27,78,97,092) equity shares of R$ 1 each fully paid up		
One Grid Limited	0.10	0.10
10,000 (31 March 2022: 10,000) equity shares of ₹ 10 each fully paid up		
Investment in non-convertible debentures (unquoted) (valued at amortised cost)		
Sterlite Grid 13 Limited	2,672.48	1,651.30
23,03,14,139 (31 March 2022: 15,15,74,650) Non- convertible debentures of face value of ₹ 10 each*		
Sterlite Grid 14 Limited	675.52	559.98
5,64,25,101 (31 March 2022: 5,14,25,101) Non- convertible debentures of face value of ₹ 10 each*		
Sterlite Grid 18 Limited (refer note a below)	2,499.58	2,252.29
20,10,48,052 (31 March 2022: 20,10,48,052) Non- convertible debentures of face value of ₹ 10 each*		
Less: Impairment on investment in non convertible debentures	-	(104.21)
	2,499.58	**2,148.08**
Sterlite Grid 29 Limited	1,615.44	1,453.82
13,13,95,681 (31 March 2022: 13,13,95,681) Non- convertible debentures of face value of ₹ 10 each*		
Investment in Compulsorily convertible debentures (unquoted) (valued at fair value through statement of profit and loss)		
Sterlite Grid 18 Limited (refer note a below)	845.20	50.50
8,45,20,250 (31 March 2022: 50,50,250) 0.01% Compulsorily convertible debentures of face value of ₹ 10 each		
Less: Impairment on investment in Compulsorily convertible debentures	-	(50.50)
	845.20	-

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(₹ in million)

	31 March 2023	31 March 2022
Sterlite Grid 29 Limited	173.63	48.63
1,73,62,513 (31 March 2022: 48,52,613) 0.01% Compulsorily convertible debentures of face value of ₹ 10 each		
Others (valued at fair value through other comprehensive income)		
Sharper Shape Group Inc	100.20	112.45
6,62,600 (31 March 2022: 26,504) common stock of USD 0.0004 (31 March 2022: USD 0.01) each fully paid up (refer note g below)		
Equity component of loan given to subsidiaries (refer note b below)		
Sterlite Grid 5 Limited #	286.02	305.71
Sterlite Grid 16 Limited	26.28	-
Sterlite Grid 24 Limited	119.72	-
Sterlite Grid 26 Limited #	-	-
Sterlite Convergence Limited	28.07	28.07
	460.09	**333.78**
Total	**12,648.10**	**11,445.10**

**The Company has subscribed to the non convertible debentures issued by the joint ventures which are redeemable at premium of 12.30% - 13.70% p.a. payable at the time of redemeption.*

#The fair market value of the investment in Sterlite Grid 5 Limited ('SGL5') and Sterlite Grid 26 Limited ('SGL26') was below cost, hence the Company has recognised an impairment of ₹ 365.67 and ₹ 202.08 million on equity component of loan through other comprehensive income.

(a) In earlier years, the fair market value of the investment in Sterlite Grid 18 Limited ('SGL18') was below cost, hence the Company had recognised the impairment on compulsorily convertible debentures and non-convertible debentures. However, during the current year, the Company has reversed the impairment on compulsorily convertible debentures and non-convertible debentures based on fair valuation.

(b) The Company has given interest free loans to wholly owned subsidiaries, amounting to ₹ 2,703.60 million repayable after 1-3 years. The loans being financial asset, have been discounted to present value amounting to ₹ 2,082.62 million at initial recognition. The balance of ₹ 620.98 million being the difference between present value and loan amount has been recognised as equity component. During the current year, the Company has extended term of loan given to Sterlite Grid 5 Limited ('SGL5') which has resulted in change in equity component of loan.

c) Pursuant to Share Purchase Agreement ("Agreement") dated 3 April 2021 executed among the Company's wholly owned subsidiary Sterlite Grid 5 Limited ('SGL5'), wholly owned subsidiary of SGL5 i.e. Goa- Tamnar Transmission Project Limited ("GTTPL") and wholly owned subsidiary of the Company Sterlite Grid 29 Limited ('SGL29'), 100% equity shareholding of GTTPL held by the SGL5 is transferred to SGL29.

(d) The Company has entered into a Framework Agreement with AMP Capital Infrastructure Investment No.2 S.A R.L. ('AMP Capital') dated 28 December 2020 ('the Agreement') for investment in the subsidiaries of the Company which are engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. Pursuant to the agreement, AMP Capital has invested in 50% of the paid up equity share capital of Sterlite Grid 14 Limited ('SGL14'), Sterlite Grid 18 Limited ('SGL18') and Sterlite Grid 29 Limited ('SGL29') on 6 April 2021. Accordingly, as per the terms of the agreement and rights available to the Company, investment in SGL14, SGL18 and SGL29 have been classified as investment in joint ventures.

(e) Pursuant to Share purchase agreement ('SPA') dated 29 March 2022 executed between the Company, Sterlite Technologies Limited ('STL'), Maharashtra State Electricity Transmission Company Limited ('MSETCL') and Maharashtra Transmission Communication Infrastructure Limited ('MTCIL'), the Company has purchased 64.98% equity stake in MTCIL from STL for agreed consideration of ₹ 430.00 million. SPTL has paid advance consideration of ₹ 200.00 million and balance consideration of ₹ 230.00 million is payable in 2 tranches. First Tranche of ₹ 100.00 million is payable within a period 6 months from date of SPA which has been paid during the financial year 2022-23 and second tranche of ₹ 130.00 million is payable after 18 months from the date of SPA. Accordingly consideration payable after 18 months has been accounted at effective interest rate method ('EIR'). As a result, MTCIL became the subsidiary of the Company w.e.f. 31 March 2022.

(f) Pursuant to Securities purchase agreement ('SPA') dated 1 June 2022 executed between the Company, PTC Cables Private Limited and Sterlite Interlinks Limited ('SIL'), the Company has purchased 51% equity stake in SIL from PTC Cables Private Limited for agreed consideration of ₹ 13.36 million. As a result, SIL became the wholly owned subsidiary of the Company from associate w.e.f. 1 June 2022.

(g) During the year, 1 common stock of Sharper shape Group Inc. of USD 0.01 each fully paid up has been splitted into 25 common stock of USD 0.0004 each fully paid up.

(₹ in million)

	31 March 2023	31 March 2022
CURRENT		
Investment in mutual funds - quoted (valued at fair value through profit or loss)		
3,39,250.82 units (31 March 2022: Nil units) of Axis Overnight Fund Direct Growth (ONDGG)	402.20	-
3,33,283.31 units (31 March 2022: Nil units) of ICICI Prudential P9693 Overnight Fund Direct Plan Growth	402.80	-
Total	**805.00**	**-**
Current (mutual fund units)	**805.00**	**-**
Non-current (equity shares)	**3,706.16**	**5,249.51**
Non-current (non-convertible debentures)	**7,463.02**	**5,813.18**
Non-current (compulsorily convertible debentures)	**1,018.83**	**48.63**
Non-current (equity component of loan given to subsidiaries)	**460.09**	**333.78**
Aggregate value of quoted investments (mutual fund units)	**805.00**	**-**
Aggregate value of unquoted investments (equity shares)	**3,706.16**	**5,249.51**
Aggregate value of unquoted investments (non-convertible debentures)	**7,463.02**	**5,813.18**
Aggregate value of unquoted investments (compulsorily convertible debentures)	**1,018.83**	**48.63**
Aggregate value of unquoted investments (equity component of loan given to subsidiaries)	**460.09**	**333.78**

Investments at fair value through other comprehensive income and fair value through statement of profit and loss reflect investment in quoted mutual fund units, unquoted equity securities and compulsorily convertible debentures. Refer note 47 for determination of their fair values.

NOTE 8: LOANS (UNSECURED, CONSIDERED GOOD)

(₹ in million)

	31 March 2023	31 March 2022
Loans to related parties (refer note 50)*	-	35.52
Loans to subsidiaries [refer note 50 & 7(b)]#	2,113.07	5,716.40
Total	**2,113.07**	**5,751.92**
Current	**231.10**	**4,586.26**
Non-Current	**1,881.97**	**1,165.66**

** During the current year, the Company has given unsecured loan to Serentica Renewables India Private Limited (formerly Sterlite Power Technologies Private Limited) amounting to ₹ 383.68 million (March 31, 2022: 35.52 million) (including accumulated interest accrued) carrying interest at the rate of 11% p.a. and is repayable within 1 year. The loan has been repaid during the year.*

 # Indian rupee loan to subsidiaries which are either repayable on demand or with repayment terms of 1-3 years and these loans carry Nil rate of interest.

Compliance to the provisions of Section 186 of the Companies Act, 2013

The Company has given interest free loans amounting to its ₹ 1,010.26 million to wholly owned subsidiaries and the outstanding balance of total loan is of ₹ 2,113.07 million (discounted amount) as at year end. Based on the legal opinion obtained by the management, for the purpose of the compliance with Section 186 of the Companies Act, 2013, the Company is considered as infrastructure company as per Schedule VI of the Companies Act, 2013 as the Company is engaged in construction of power transmission lines and manufacturing of power products and solutions. Accordingly, the provisions of section 186 (2) to section 186 (11) are not applicable to the Company.

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Break up of loans and advances in the nature of loans as at year end that are either repayable on demand or without specifying any term or period of repayment:

(₹ in million)

Type of borrower	31 March 2023		31 March 2022	
	Amount of loan and advance in the nature of loan outstanding:	Percentage to the total loans and advances in the nature of loans:	Amount of loan and advance in the nature of loan outstanding:	Percentage to the total loans and advances in the nature of loans:
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties *	41.30	1.95%	4,550.74	79.12%

* Includes loan to subsidiary which carries nil rate of interest and is repayable on demand.

The Company has not granted loans to its promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) which are repayable on demand or without specifying any terms or period of repayment other than mentioned above.

Details of loan given by the Company (unsecured)

(₹ in million)

Name of entities	As on 31 March 2023		As on 31 March 2022	
	Amount of loan	% of total loan	Amount of loan	% of total loan
Non current				
Loans to related parties				
Fellow subsidiaries	-	-	-	-
Wholly owned subsidiaries	1,881.97	100.00%	1,165.66	100.00%
Totals	**1,881.97**	**100.00%**	**1,165.66**	**100.00%**
Current				
Loans to related parties				
Fellow subsidiaries	-	-	35.52	0.77%
Wholly owned subsidiaries	231.10	100.00%	4,550.74	99.23%
Totals	**231.10**	**100.00%**	**4,586.26**	**100.00%**

NOTE 9: TRADE RECEIVABLES

(₹ in million)

	31 March 2023	31 March 2022
Non-current		
Trade receivables	631.06	699.43
Total	**631.06**	**699.43**
Break-up for security details:		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	631.06	699.43
	631.06	**699.43**
Impairment allowance (allowance for bad and doubtful debts)		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	631.06	699.43
Total non-current trade receivables	-	-
Current		
Trade receivables	8,607.99	6,684.75
Receivable from related parties (refer note 50)	8,164.25	6,806.75
Total	**16,772.24**	**13,491.50**

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(₹ in million)

	31 March 2023	31 March 2022
Break-up for security details:		
- Unsecured, considered good	16,772.24	13,491.50
- Unsecured, credit impaired receivables	-	-
	16,772.24	**13,491.50**
Impairment allowance (allowance for bad and doubtful debts)		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	-	-
	16,772.24	**13,491.50**
Total current trade receivables	**16,772.24**	**13,491.50**

Ageing of current trade receivables

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2023							
Undisputed Trade receivables – considered good	11,746.99	4,191.53	357.55	300.68	19.68	155.81	16,772.24
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	0.03	21.49	63.60	36.00	123.00	386.94	631.06
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**11,747.02**	**4,213.02**	**421.15**	**336.68**	**142.68**	**542.75**	**17,403.30**
As at 31 March 2022							
Undisputed Trade receivables – considered good	9,908.00	2,969.92	269.60	164.55	45.11	134.32	13,491.50
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	64.93	9.04	184.75	5.27	435.44	699.43
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**9,908.00**	**3,034.85**	**278.64**	**349.30**	**50.38**	**569.76**	**14,190.93**

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person.

Trade receivables are non-interest bearing and credit period varies as per the contractual terms with the customers which is generally between 30 - 180 days.

Refer note 48 on credit risk of trade receivables, which explains how the Company manages and measures credit quality of trade receivables that are neither past due or impaired.

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NOTE 10: OTHER FINANCIAL ASSETS

(₹ in million)

	31 March 2023	31 March 2022
Non-current		
Security deposits (unsecured, considered good)	68.38	66.20
Other bank balance*	1,115.01	848.83
Total other non-current financials assets	**1,183.39**	**915.03**

**Represents margin money against various guarantees issued by banks on behalf of the Company and fixed deposits which have been marked lien to government/local authorities.*

	31 March 2023	31 March 2022
Current		
Security deposits (unsecured, considered good)	41.10	41.48
Advances recoverable in cash (unsecured, considered good) (refer note 50)	28.40	28.40
Interest accrued on fixed deposits	72.29	28.24
Earnest money deposit with customer (unsecured, considered good)	24.53	40.52
Consideration receivable on sale of investments in subsidiaries (unsecured, considered good)	1,050.05	1,237.67
Other receivables from related parties (unsecured, considered good) (refer note 50)	89.70	136.87
	1,306.07	**1,513.18**
Derivative instruments		
- Commodity futures	539.42	522.69
	539.42	**522.69**
Total other current financial assets	**1,845.49**	**2,035.87**

Security deposits are non-derivative financial assets and are refundable in cash. These are measured based on effective interest method.

Derivative instruments reflect the change in fair value of commodity futures, designated as cash flow hedges to hedge highly probable forecasts/firm commitments for purchase of aluminium and copper.

Earnest money deposit from customers are non-derivative financial assets and are refundable in cash.

Consideration receivable on sale of investments in subsidiaries and receivables from related parties are non-derivative financial assets and are recoverable in cash.

NOTE 11: OTHER ASSETS

(₹ in million)

	31 March 2023	31 March 2022
Non-current		
Balances with government authorities	202.97	335.09
Deposit paid under dispute (refer note 42)	98.87	78.14
Prepaid expenses	132.20	21.90
Total other non-current assets	**434.04**	**435.13**
Current		
Advances to vendors/contractors (unsecured)	1,364.02	936.33
Balances with government authorities	2,290.71	1,671.11
Prepaid expenses	268.65	290.39
Contract assets related to EPC contracts	1,687.83	976.82
Others	0.12	1.18
Total other current assets	**5,611.33**	**3,875.83**

Notes to Financial Statements

for the year ended March 31, 2023
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NOTE 12: ASSETS AND LIABILITIES HELD FOR SALE

Pursuant to Ind AS - 105 ""Non Current Assets Held for Sale and Discontinued Operations"", the Company has identified non-current assets referred to in below notes as held for sale as the carrying amount of these assets will be recovered principally through a sale transaction rather than through continuing use. These assets are available for immediate sale in its present condition and the sale transactions are highly probable.

Following assets and liabilities are classified as held for sale as at 31 March 2023 and as at 31 March 2022:

(₹ in million)

	31 March 2023	31 March 2022
Investment in equity shares (unquoted and valued at fair value through other comprehensive income)		
Khargone Transmission Limited*		
1.56 million equity shares of ₹ 10 each fully paid up	-	101.35
Total	**-**	**101.35**
Assets classified as held for sale - non-current	-	-
Assets classified as held for sale - current	-	101.35

**Sale of Khargone Transmission Limited*

During the year ended 31 March 2023, the Company entered into share purchase agreement and shareholders' agreement dated 21 January 2023 ("the Agreements") among Khargone Transmission Limited ('KTL' referred as "the SPV"), Sterlite Power Transmission Limited ('SPTL'), Axis Trustee Services Limited (on behalf of and acting in its capacity as trustee to India Grid Trust) and IndiGrid Investments Managers Limited (in its capacity as investment manager of India Grid Trust). Pursuant to the Agreements, the Company transferred 49% of equity in the SPV and for transfer of the remaining 51% equity stake, the Company has received consideration in advance which is non-refundable. The remaining stake will be transferred to the buying shareholder on expiry of the mandatory shareholding period in the SPV. Under the Agreements, the Company had also given the following rights to the buying shareholder:

a. Right to nominate all directors on the board of directors of the SPV;

b. Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meetings of shareholders of the SPV;

c. Irrevocable and unconditional call option to acquire the remaining 51% equity stake in the SPV at later dates.

d. Pledge on the remaining 51% equity stake in the SPV;

e. Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in the SPV.

Basis the above rights and the fact that full non-refundable consideration was received in advance by the Company from the buyers, the Company has derecognised entire investment in the SPV and recognised a loss of ₹ 32.86 million on sale of the SPV during the current year through other comprehensive income.

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for the year ended March 31, 2023
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NOTE 13: INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in million)

	31 March 2023	31 March 2022
Raw materials and components [includes stock in transit ₹ 325.61 million (31 March 2022: ₹ 51.49 million)]	2,053.91	809.56
Work-in-progress	533.31	340.83
Finished goods [includes stock in transit ₹ 1,056.42 million (31 March 2022: ₹ 175.38 million)]	1,593.71	497.42
Construction material [includes stock in transit ₹ Nil (31 March 2022: ₹ 302.77 million)]	2,797.15	309.98
Traded goods	9.91	11.20
Stores, spares, packing materials and others	257.88	235.58
Total	**7,245.87**	**2,204.57**

NOTE 14: CASH AND CASH EQUIVALENTS

(₹ in million)

	31 March 2023	31 March 2022
Balances with banks:		
On current accounts	1,017.99	759.51
Deposits with original maturity for less than three months	2,203.08	1,100.00
Cash in hand	0.03	0.03
Total	**3,221.10**	**1,859.54**

NOTE 15: OTHER BANK BALANCES

(₹ in million)

	31 March 2023	31 March 2022
Deposits with maturity for more than 3 months but less than 12 months	978.80	465.64
Total	**978.80**	**465.64**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods, depending on the immediate cash requirements of the Company, and earns interest at the respective short-term deposit rates.

NOTE 16: SHARE CAPITAL

	Nos. in million	₹ in million
Authorised Equity share capital		
Authorised Equity share capital of ₹ 2 per share each as on 01 April 2021	6,380.00	12,760.00
Increase in authorised equity share capital on merger (refer note 56)	0.25	0.50
As at 31 March 2022	**6,380.25**	**12,760.50**
Changes during the year	-	-
As at 31 March 2023	**6,380.25**	**12,760.50**
Issued, subscribed and fully paid-up equity shares (nos. million)		
122.36 (31 March 2022: 61.18) equity shares of ₹ 2 each fully paid - up.	244.72	122.36
Total issued, subscribed and fully paid-up equity share capital	**244.72**	**122.36**

** Authorised equity share capital has been disclosed after considering the impact of merger as mentioned in note 56*

a. **Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period**

	Nos. in million	₹ in million
As at 01 April 2021	**61.18**	**122.36**
Add: Changes during the year	-	-
As at 31 March 2022	**61.18**	**122.36**
Add: On account of issuance of bonus equity shares	61.18	122.36
As at 31 March 2023	**122.36**	**244.72**

Notes to Financial Statements
for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

b. **Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The Board of Directors of the Company in its meeting held on 24 March 2023, have considered and declared an interim dividend of ₹ 1.00 per share on each fully paid-up equity shares having face value of ₹ 2 each, for the financial year 2022-23 (refer note 18).

During the year ended 31 March 2023, pursuant to the approval of Board of directors and the Shareholders of the Company in their meeting held on 23 August 2022 and 26 September 2022 respectively, the Company has issued bonus shares and allotted 61.18 million bonus equity shares of face value of ₹ 2 each in ratio of 1:1 (i.e. one equity share for every one equity share already held) to the exisitng shareholder on record date i.e. 5 October 2022.

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

c. **Equity shares held by holding company and their subsidiaries/associates:**

	31 March 2023		31 March 2022	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	87.34	71.38%	43.67	71.38%
Subsidiary of Volcan Investments Limited, Bahamas (Ultimate holding company)				
Vedanta Limited	1.91	1.56%	0.95	1.56%

d. **Detail of shareholders holding more than 5 % of equity shares in the Company**

	31 March 2023		31 March 2022	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	87.34	71.38%	43.67	71.38%

e. **Detail of shareholding of Promoters**

	As at 31 March 2023				
Name of the promoters	No. of equity shares in million at the beginning	Change during the year*	No. of equity shares in million at the end	% of Total shares	% Change during the year
Twin Star Overseas Limited, Mauritius					
Equity shares at ₹ 2 each fully paid up	43.67	43.67	87.34	71.38%	100%
Total	**43.67**	**43.67**	**87.34**	**71.38%**	**100%**

	As at 31 March 2022				
Name of the promoters	No. of equity shares in million at the beginning	Change during the year	No. of equity shares in million at the end	% of Total shares	% Change during the year
Twin Star Overseas Limited, Mauritius					
Equity shares at ₹ 2 each fully paid up	43.67	-	43.67	71.38%	-
Total	**43.67**	**-**	**43.67**	**71.38%**	**-**

**Issue of bonus shares during the year.*

The shareholding information is based on the legal ownership of shares and has been extracted from the records of the Company including register of shareholder/members.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 17 : OTHER EQUITY

(₹ in million)

	31 March 2023	31 March 2022
Securities premium		
Balance as per last financial statements	4,536.80	4,536.80
Add: Amount utilised for issuance of bonus shares (refer note 17.1)	(86.34)	-
Closing balance	**4,450.46**	**4,536.80**
Retained earnings		
Balance as per last financial statements	14,932.38	1,820.28
Add: Adjustment on merger of Sterlite Grid 4 Limited (refer note 56)	-	10,441.71
Add: Profit for the year	3,220.11	2,465.78
Add: Remeasurement of post employment benefit obligation, net of tax	(2.87)	(7.78)
Add: Realised gain on sale of investments in subsidiaries transferred from FVTOCI reserve	8.93	336.65
Add: Dividend (refer note 18)	(122.36)	(324.26)
Add: Transfer from/(to) debenture redemption reserve (refer note 17.5)	(250.00)	200.00
Closing balance	**17,786.19**	**14,932.38**
Others		
FVTOCI reserve		
Balance as per last financial statements	(1,600.57)	6,517.29
Add: Adjustment on merger of Sterlite Grid 4 Limited (refer note 56)	-	(8,692.88)
Add: Change in fair value of investments through other comprehensive income, net of taxes	(2,820.67)	911.67
Add: Net realised gain on sale of investments in subsidiaries transferred to retained earnings	(8.93)	(336.65)
Closing balance	**(4,430.17)**	**(1,600.57)**
Debenture redemption reserve		
Balance as per last financial statements	-	-
Add: Created during the year (refer note 17.5)	250.00	-
Add: Adjustment on merger of Sterlite Grid 4 Limited (refer note 56)	-	200.00
Add: Transferred to retained earning	-	(200.00)
Closing balance	**250.00**	-
Cash flow hedge reserve		
Balance as per last financial statements	1,603.10	769.94
Add: Cash flow hedge reserve created on hedging contracts, net of taxes	(1,805.82)	2,509.50
Add: Amount reclassified to statement of profit and loss	225.06	(1,676.34)
Closing balance	**22.34**	**1,603.10**
Capital redemption reserve		
Balance as per last financial statements	36.02	36.02
Add: Amount utilised for issuance of bonus shares (refer note 17.4)	(36.02)	-
Closing balance	-	**36.02**
Share based payment reserve		
Balance as per last financial statements	-	-
Add: Expense recognised during the year (refer note 17.6)	59.06	-
Closing balance	**59.06**	-
Total other reserves	**(4,098.77)**	**38.55**

Nature and purpose of reserves :-

17.1 Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013. During the current year, the Company has utilised the amount for issuance of bonus shares pursuant to the approval of Board of directors and the Shareholders of the Company in their meetings held on 23 August 2022 and 26 September 2022 respectively.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

17.2 FVTOCI reserve

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

17.3 Cash flow hedge reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with receivable and payable and commodity risk associated with purchase of aluminium and copper. For hedging these risks, the Company uses commodity future and foreign currency forward contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects the statement of profit or loss.

17.4 Capital redemption reserve

During the year ended 31 March 2021, the Company had redeemed 18 million redeemable preference shares of face value of ₹ 2 each issued to Clix Finance India Private Limited. Accordingly, the Company created capital redemption reserve of ₹ 36.02 million in compliance of Section 69 of the Companies Act, 2013. During the current year, the Company has utilised the amount for issuance of bonus shares pursuant to the approval of Board of directors and the Shareholders of the Company in their meetings held on 23 August 2022 and 26 September 2022 respectively.

17.5 Debenture Redemption reserve

During the year ended 31 March 2022, Sterlite Grid 4 Limited has been merged with the Company. Sterlite Grid 4 Limited had created debenture redemption reserve of ₹ 200.00 million in compliance with section 71(4) of the Companies Act 2013 which had been transferred to retained earnings on redemeption of non-convertible debentures.
During the current year, the Company has issued 2,500 non-convertible debentures to its wholly owned subsidiary ""Sterlite Grid 16 Limited"" at face value or ₹ 10,00,000 each. Accordingly, the Company has created debenture redemption reserve of ₹ 250.00 million in compliance with section 71(4) of the Companies Act 2013.

17.6 Share based payment reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan (refer note 54).

NOTE 18 : DISTRIBUTION MADE AND PROPOSED

(₹ in million)

	31 March 2023	31 March 2022
Dividends on Equity shares declared and paid:		
Interim dividend for the year ended on 31 March 2023: ₹ 1 per share (31 March 2022: ₹ 5.30 per share)	122.36	324.26
	122.36	**324.26**

Dividend amounting to ₹ 6.26 million (31 March 2022: ₹ 6.29 million) is unclaimed and outstanding as on 31 March 2023 (refer note 21).

The Board of Directors of the Company in its meeting held on 24 March 2023, have considered and declared an interim dividend of ₹ 1.00 per share on each fully paid-up equity shares having face value of ₹ 2.00 each, for the financial year ended 31 March 2023. This dividend is payable as on 31 March 2023 which has been paid subsequently.

Notes to Financial Statements

for the year ended March 31, 2023
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NOTE 19 : NON CURRENT BORROWINGS

(₹ in million)

	31 March 2023	31 March 2022
Term loan		
Indian rupee loan from financial institution (secured) (refer note (a)(i) below)	-	187.61
Inter corporate deposit		
Inter corporate deposit from related party (unsecured) (refer note (b) below)	430.00	-
Non convertible debenture		
1,750 (31 March 2022: Nil) Non convertible debenture from related parties (unsecured) (refer note (c) below)	-	-
Total non-current borrowings	**430.00**	**187.61**
Current maturities of long-term borrowing		
Non convertible debenture from related parties (unsecured) (refer note (c) below)	1,750.00	-
1,750 (31 March 2022: Nil) Non- convertible debentures of face value of ₹ 10,00,000 each		
Indian rupee loan from financial institution (secured) (refer note (a)(i) below)	187.50	375.00
Indian rupee loan from financial institution (unsecured) (refer note (a)(ii) below)	144.60	-
Total	**2,082.10**	**375.00**

a **Term Loans**

Indian rupee term loan from financial institution

i) The Indian rupee loan of ₹ 750.00 million from Arka Fincap Limited carries interest at the rate of 11.25% p.a. payable monthly. The loan amount shall be repayable in four semi annual instalments from date of disbursement. The loan is secured by:

a) First paripassu charge over all current assets of the Company, both present and future immovable and movable fixed assets of the Company

b) Second paripassu charge over all the movable and immovable assets of the Company

c) Interest service reserve (ISRA) of 1 months to be maintained in the form of FDs charged in favour of lender at all times during the tenor of the facility.

The Company has complied with the covenants attached to the borrowings.

ii) The Indian rupee loan of ₹ 190.00 million from Mahindra & Mahindra Financial Services Limited which carries interest at the rate of 10.00% p.a. payable monthly. The loan amount shall be repayable in 12 monthly equal instalments after 3 months of morotorium (where interest is only paid) from the date of disbursement. It is working capital term loan and the same is unsecured.

The Company has not been reported as wilful defaulter during the current year.

b **Inter Corporate Deposit from related party**

During the year, the Company has availed unsecured Inter Corporate Deposit of ₹ 430.00 million from its wholly owned subsidiary "Sterlite Convergance Limited" at the interest rate of 10% p.a payable quarterly. The loan amount shall be repayable as bullet repayment after 3 years from the date of disbursement.

c **Non convertible debenture (NCDs) from related parties**

During the year, the Company has issued 2,500 Non Convertible Debentures to its wholly owned subsidiary "Sterlite Grid 16 Limited" at face value of ₹ 10,00,000 each the interest rate of 14.50% p.a payable quarterly for a term of 17 months and 25 days from its allotment date. The NCDs are redeemable at the end of the tenor or can be reedemed in part or full at any time upon demand from the debentureholders. Accordingly, the Company has redeemed 750 Non convertible debenture amounting to ₹ 750.00 million during the year.

Notes to Financial Statements

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d **Redeemable preferences shares**

The preference shares carried 0.01% non-cumulative dividend. Holders of preference shares had a preferential right to receive their redemption value in precedence to holders' of equity shares in the event at liquidation.

(₹ in million)

	31 March 2023	31 March 2022
Authorised shares (nos. million)		
36.40 millions (31 March 2022: 36.40 millions) redeemable preference shares of ₹ 2 each	72.80	72.80
Issued, subscribed and fully paid-up shares (nos. million)		
Nil (31 March 2022: Nil) redeemable preference shares of ₹ 2 each	-	-

e **Optionally convertible redeemable preference shares**

(₹ in million)

	31 March 2023	31 March 2022
Authorised shares (nos. million)		
470.00 millions (31 March 2022: 470.00 millions) optionally convertible redeemable preference shares of ₹ 10 each	4,700.00	4,700.00
Issued, subscribed and fully paid-up shares (nos. million)		
Nil (31 March 2022: Nil) optionally convertible redeemable preference shares of ₹ 10 each	-	-

NOTE 20 : SHORT TERM BORROWINGS

(₹ in million)

	31 March 2023	31 March 2022
Current maturities of long-term borrowings (refer note 19)	2,082.10	375.00
Loan from others (unsecured) (refer note (i) below)	1,500.00	1,500.00
Customer bill discounting (secured) (refer note (ii) below)	651.67	-
Vendor bill discounting (secured) (refer note (iii) below)	-	289.24
Vendor bill discounting (unsecured) (refer note iv below)	52.32	161.23
Total	**4,286.09**	**2,325.47**
The above amount includes		
Secured borrowings	839.17	664.24
Unsecured borrowings	3,446.92	1,661.23

(i) Loan from others for ₹ 1,500.00 million (31 March 2022: ₹ 1,500.00 million) include loan from PTC Cables Private Limited with an interest rate of 9.60% - 11.00% p.a. (SBI 1 year MCLR + 250 basis points). However, the Company can repay the partial or full amount to the lender with prior not less than 10 days irrevocable notice or the lender may ask for the repayment by giving 5 business days notice to the Company.

(ii) The Company has entered into factoring facility arrangements with banks for trade receivables from Power Grid Corporation India Limited ('PGCIL') with full recourse basis. The factoring facility is generally taken for a period of 90 days and carries interest rate of 7.00% - 8.50% p.a.

(iii) Vendor bill discounting credit arrangements were secured by hypothecation of raw materials, work in progress, finished goods and trade receivables. Vendor bill discounting is generally repaid after a period of 90-120 days and it carries interest rate of Nil (31 March 2022: 8.55% - 8.60% p.a.).

(iv) Unsecured vendor bill discounting credit arrangements are generally repaid after a period of 90 days and it carries interest rate of 8.15% - 8.30% p.a. (31 March 2022: 7.00% - 8.50% p.a.).

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NOTE 21 : OTHER FINANCIAL LIABILITIES

(₹ in million)

	31 March 2023	31 March 2022
Non Current		
Payable against purchase consideration (refer note 7(e))	-	111.15
Employee benefits payable (refer note 53)	24.55	36.69
Others	-	1.37
Total non-current financial liabilities	**24.55**	**149.21**
Current		
Derivative instruments		
- Forward contracts	58.09	7.46
	58.09	**7.46**
Interest accrued but not due on short term borrowings	490.89	351.83
Interest accrued but not due on long term borrowing	1.07	0.17
Interest free and earnest money deposit from customers	2.80	2.20
Interest free and earnest money deposit from vendors	5.31	1.00
Payable for property, plant and equipment	35.06	65.13
Payable against purchase consideration (refer note 7(e))	123.34	100.00
Employee benefits payable	304.88	265.78
Dividend payable (including unclaimed dividend, refer note 18)	128.63	6.29
Others	17.39	61.78
Total current financial liabilities	**1,167.46**	**861.64**

Payables for purchase of property, plant and equipment are non-interest bearing and are normally settled on 30-90 days terms.

Derivative instruments reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecasts/firm commitments for foreign currency sales and purchases and foreign currency receivables and payables in US Dollars (USD) and Euros (EUR).

Interest free deposits from customer and earnest money deposits from vendor are non interest bearing.

For explanations on the Company's credit risk management processes, refer to note 48.

NOTE 22 : EMPLOYEE BENEFIT OBLIGATIONS

(₹ in million)

	31 March 2023	31 March 2022
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 39)	55.73	74.04
Total non-current employee benefit obligations	**55.73**	**74.04**
Current		
Provision for employee benefits		
Provision for gratuity (refer note 39)	16.59	24.12
Provision for leave benefit	61.04	82.14
Total current employee benefit obligations	**77.63**	**106.26**

Notes to Financial Statements
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NOTE 23: DEFERRED TAX LIABILITIES/ASSETS (NET)

(₹ in million)

	31 March 2023	31 March 2022
Deferred tax liability		
Property, plant & equipment: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	24.07	35.13
Fair valuation of land on transition date	38.86	38.86
Fair valuation of FVTOCI investments	-	-
Cash flow hedge reserve	7.51	538.28
Interest accrued on non-convertible debentures	290.85	128.80
Others	4.14	16.11
Gross deferred tax liability	**365.43**	**757.18**
Deferred tax assets		
Provision for doubtful debts and advances	159.58	149.60
Capital loss on sale of investment	13.09	13.09
Expenses disallowed in income tax, allowed as and when incurred	83.85	171.14
Employee benefit obligations	55.68	65.70
Others	29.61	57.40
Gross deferred tax assets	**341.81**	**456.93**
Net deferred tax liability/(asset)	**23.62**	**300.25**

Reconciliation of deferred tax liability/(asset)

(₹ in million)

	31 March 2023	31 March 2022
Opening deferred tax liability (net)	300.25	1,789.06
Deferred tax credit recorded in statement of profit and loss	242.10	14.59
Deferred tax charge recorded in OCI	12.01	707.41
Deferred tax charge/(credit) on cash flow hedge reserve	(530.74)	307.38
Deferred tax liability transferred to current tax liability on sale of investments	-	60.82
Adjustment on merger of Sterlite Grid 4 Limited (refer note 56)	-	(2,579.00)
Others	-	(0.01)
Closing deferred tax liability/(asset), (net)	**23.62**	**300.25**

The major components of income tax expense for the years ended 31 March 2023 and 31 March 2022 are:

(₹ in million)

	31 March 2023	31 March 2022
Profit or loss section		
Current income tax charges:		
Current income tax	830.29	541.91
Adjustment of tax relating to earlier periods	(29.69)	(145.07)
Deferred tax		
Relating to origination and reversal of temporary differences	242.10	14.59
Income tax expenses reported in the statement of profit or loss	**1,042.70**	**411.43**
OCI Section		
Deferred tax related to items recognised in OCI during the year:		
Net (gain)/loss on revaluation of cash flow hedges	(530.74)	307.38
Re-measurement loss defined benefit plans	(0.97)	(2.61)
Income tax charged through OCI on fair valuation of investments	12.98	710.02
	(518.73)	**1,014.79**

Notes to Financial Statements

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Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:

(₹ in million)

	31 March 2023	31 March 2022
Accounting profit before income tax	**4,262.81**	**2,877.21**
At India's statutory income tax rate of 25.168% (31 March 2022: 25.168%)	1,072.95	724.19
Permanent difference on account of expenses disallowed	14.07	8.56
Permanent difference on account of deferred tax not recognised on impairment	64.08	-
Permanent difference not liable to tax on account of notional income	(48.46)	(35.87)
Difference in income tax rate considered for deferred tax on capital assets	(16.22)	(17.93)
Interest cost benefit on NCDs of Sterlite Grid 4 Limited	-	(98.16)
Tax/(reversal of tax) for earlier years	(29.69)	(145.07)
Others	(14.03)	(24.29)
At the effective income tax rate of 23.37% (31 March 2022: 14.30%)	**1,042.70**	**411.43**
Income tax expense reported in the statement of profit and loss	**1,042.70**	**411.43**

For the purpose of recognition and measurement of income tax, the amalgamation of Sterlite Grid 4 Limited ("SGL4") with the Company has been considered from the appointed date of 1 April 2020 as required by the Income Tax Act, 1961 resulting in utilisation of business losses of the Company against the tax liability of SGL4, resulting in tax credit of ₹ 145.07 million in previous year.

NOTE 24 : TRADE PAYABLES

(₹ in million)

	31 March 2023	31 March 2022
Current		
Trade payables		
- total outstanding dues of micro enterprises and small enterprises ('MSME') (refer note 45)	908.41	497.00
- total outstanding dues of creditors other than micro enterprises and small enterprises	16,352.10	12,500.56
	17,260.51	**12,997.56**
Trade payables to related parties (refer note 50)	75.95	106.27
Operational suppliers credit		
- from related parties (refer note 50)	7,029.32	3,316.99
- from others	192.50	-
Other trade payables	9,962.74	9,574.30
Total	**17,260.51**	**12,997.56**

Ageing of trade payables

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2023							
Dues							
(i) MSME	553.99	-	187.02	86.15	48.15	33.10	908.41
(ii) Others	11,944.97	2,747.02	444.94	1,191.74	5.95	13.76	16,348.38
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	3.72	-	-	3.72
Total	**12,498.96**	**2,747.02**	**631.96**	**1,281.61**	**54.10**	**46.86**	**17,260.51**

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022							
Dues							
(i) MSME	48.49	-	360.39	83.46	-	4.66	497.00
(ii) Others	10,665.86	606.46	1,156.10	68.32	2.74	1.08	12,500.56
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**10,714.35**	**606.46**	**1,516.49**	**151.78**	**2.74**	**5.74**	**12,997.56**

a) Trade payables are non-interest bearing and are normally settled on 45-180 days terms.

b) Operational supplier's credit availed in Indian Rupees at an interest rate of 7.00%-10.65% and is backed by Standby Letter of Credit issued under working capital facilities sanctioned by domestic banks. Part of these facilities are secured by first pari passu charge over the present and future current assets of the Company.

NOTE 25: OTHER LIABILITIES

(₹ in million)

	31 March 2023	31 March 2022
Non-current		
Advance from customers*	-	2,249.29
Total other non-current liabilities	-	**2,249.29**
Current liabilities		
Advance from customers*	8,634.37	3,858.97
Goods and services tax payable	66.16	113.77
Withholding taxes (TDS) payable	119.67	114.03
Contract liabilities for EPC contracts including advances from customers	4,342.35	2,007.92
Others	245.16	289.61
Total	**13,407.71**	**6,384.30**

**The Company has provided corporate guarantees against the advances received from joint ventures and subsidiaries.*

NOTE 26: REVENUE FROM OPERATIONS

(₹ in million)

	31 March 2023	31 March 2022
Revenue from contract with customers		
Sale of goods and services (see notes below)	38,478.35	37,810.79
Other operating revenue		
Sale of scrap	183.07	128.45
Management fees (refer note 50)	573.72	34.60
Total revenue from operations	**39,235.14**	**37,973.84**
Type of goods or service:		
Revenue from sale of conductors and power cables	21,900.62	15,470.90
Revenue from engineering, procurement and construction (EPC) contracts	8,089.19	3,254.93
Revenue from engineering, procurement and construction (EPC) contracts with related parties (refer note 50)	7,686.54	18,469.45
Revenue form sale of traded goods	667.62	331.50
Revenue from project consultancy services	-	46.14
Revenue from services rendered to joint ventures (refer note 50)	134.38	237.87
Total revenue from contracts with customers	**38,478.35**	**37,810.79**

Notes to Financial Statements
for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2023	31 March 2022
Geographical disaggregation:		
Within India	26,677.82	27,037.97
Outside India	11,800.53	10,772.82
Total revenue from contracts with customers	**38,478.35**	**37,810.79**
Timing of revenue recognition:		
Goods transferred at a point in time	22,568.24	15,802.40
Services transferred over time	15,910.11	22,008.39
Total revenue from contracts with customers	**38,478.35**	**37,810.79**

26 (a) Performance obligations
Information about the Company's performance obligations are summarised below:

Revenue from sale of conductors, power cables and traded goods
The performance obligation is satisfied upon delivery of conductor, power cable or traded aluminium ingots and rods and payment is generally due within 30 to 180 days from delivery. Some contracts provide the Company right to receive price variation from customers on account of changes in metal prices.

Revenue from engineering, procurement and construction (EPC) contracts
The performance obligation is satisfied progressively over the construction period. The Company's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the contractual terms.

Project consultancy services
Project consultancy services represent the performance obligation for providing consultation services in relation to designing and testing of conductors and are satisfied over-time. Payment is generally due within 30 days from provision of service.

Revenue from services rendered to joint ventures
Services rendered to joint ventures represent the performance obligation for providing various consultation and agency services in relation to joint venture entities which are satisfied over-time.

26 (b) Assets and liabilities related to contracts with customers

(₹ in million)

	31 March 2023	31 March 2022
Balances at the beginning of the year		
Trade receivables	13,491.50	9,755.41
Contract assets	976.82	1,440.03
Contract liabilities	8,116.18	10,043.39
Balances at the end of the year		
Trade receivables	16,772.24	13,491.50
Contract assets	1,687.83	976.82
Contract liabilities	12,976.72	8,116.18

The Company receives payments from customers based on a billing schedule, as established in the contracts. Contract asset relates to the conditional right to consideration for completed performance under the contract. Accounts receivable are recognised when the right to consideration becomes unconditional. Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognised as revenue as (or when) performed under the contract.

Notes to Financial Statements
for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

26 (c) Revenue recognised in relation to contract liabilities

(₹ in million)

	31 March 2023	31 March 2022
Revenue recognised that was included in the contract liability balance at the beginning of the year	6,064.08	7,794.11

26 (d) Transaction price allocated to the remaining performance obligations

(₹ in million)

	31 March 2023	31 March 2022
Expected to be recognised as revenue over the next one year	31,943.51	28,423.59
Expected to be recognised as revenue beyond next one year	14,590.34	7,771.83
Total	**46,533.85**	**36,195.42**

NOTE 27: FINANCE INCOME

(₹ in million)

	31 March 2023	31 March 2022
Interest income on		
- Bank deposits	121.32	133.42
- Loans and non-convertible debenture given/issued to related parties (refer note 50)	904.58	678.75
- Income tax refund	20.45	9.47
Gain on sale of non-convertible debentures	-	20.67
Gain on sale of mutual funds	1.86	-
Fair value gain on financial instruments measured at fair value through profit and loss	4.95	-
Others	11.30	6.97
Total	**1,064.46**	**849.28**

NOTE 28: OTHER INCOME

(₹ in million)

	31 March 2023	31 March 2022
Net gain on sale of investment in an associate and units of India Grid Trust	-	297.50
Income on investment in India Grid Trust	-	11.47
Claim received from vendor	74.00	-
Reversal of impairment allowance for trade receivables	31.74	-
Guarantee commission charges (refer note 50)	17.95	21.93
Miscellaneous income	65.29	40.95
Total	**188.98**	**371.85**

NOTE 29: COST OF RAW MATERIAL AND COMPONENTS CONSUMED

(₹ in million)

	31 March 2023	31 March 2022
Inventory at the beginning of the year	809.56	1,871.70
Add: Purchases during the year	18,628.35	10,941.21
	19,437.91	12,812.91
Less: Inventory at the end of the year	2,053.91	809.56
Cost of raw material and components consumed	**17,384.00**	**12,003.35**

Notes to Financial Statements
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(All amounts in ₹ million unless otherwise stated)

NOTE 30: CONSTRUCTION MATERIAL AND CONTRACT EXPENSES

(₹ in million)

	31 March 2023	31 March 2022
Construction material consumed		
Inventory at the beginning of the year	309.98	412.72
Add: Purchases during the year	9,060.74	12,392.14
Less: Inventory at the end of the year	(2,797.15)	(309.98)
	6,573.57	**12,494.88**
Subcontracting charges*	3,456.62	3,767.80
Total	**10,030.19**	**16,262.68**

These charges pertain to services availed in relation to engineering, procurement and construction (EPC) contracts.

NOTE 31: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

(₹ in million)

	31 March 2023	31 March 2022
Opening inventories:		
Traded goods	11.20	58.22
Work-in-progress	340.83	205.64
Finished goods	497.42	762.44
	849.45	**1,026.30**
Closing inventories:		
Traded goods	9.91	11.20
Work-in-progress	533.31	340.83
Finished goods	1,593.71	497.42
	2,136.93	**849.45**
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	**(1,287.48)**	**176.85**

NOTE 32: EMPLOYEE BENEFITS EXPENSE

(₹ in million)

	31 March 2023	31 March 2022
Salaries, wages and bonus	1,795.07	1,916.83
Contribution to provident fund and superannuation fund	54.03	56.61
Employee stock appreciation rights expense (refer note 52)	-	(16.37)
Share based payment expense (refer note 54)	59.06	-
Gratuity expense (refer note 39)	16.86	24.53
Staff welfare expenses	95.38	65.00
Total	**2,020.40**	**2,046.60**

NOTE 33: OTHER EXPENSES

(₹ in million)

	31 March 2023	31 March 2022
Consumption of stores and spares	138.19	91.27
Power, fuel and water	377.71	303.02
Repairs and maintenance		-
- Building	30.36	17.37
- Machinery	206.40	122.54
Service expenses and labour charges	320.66	247.53
Consumption of packing materials	489.87	324.10
Sales commission	143.78	168.53
Advertisement & sales promotion	62.85	33.72
Carriage outwards	1,325.20	814.27

Notes to Financial Statements
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(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	31 March 2023	31 March 2022
Rent	128.81	50.62
Insurance	72.45	72.32
Rates and taxes	20.02	121.88
Travelling and conveyance	305.37	187.60
Legal and professional fees	288.12	307.63
Loss on sale of property, plant & equipment (net)	0.24	4.48
Corporate social responsibility expenses (refer note (b) below)	20.94	30.17
Impairment allowance for trade receivables	-	103.59
Impairment on investment and loans	409.28	-
Directors sitting fees (refer note 50)	9.24	14.17
Payment to auditor (refer note (a) below)	14.43	12.20
Miscellaneous expenses	659.50	594.74
Total	**5,023.42**	**3,621.75**

(a) Payment to auditor

(₹ in million)

	31 March 2023	31 March 2022
As auditor:		
Statutory audit fee (including audit of consolidated financial statements)	9.88	9.55
Tax audit fee	1.25	1.25
Other services (fees related to certifications)	3.30	1.40
Total	**14.43**	**12.20**

(b) Corporate social responsibility expenses

Section 135 of the Companies Act, 2013 is applicable on the Company but 2% of its average net profits of the last three financial years is negative. Hence, the Company is not required to contribute towards Corporate Social Responsibility activities. Though during the current year, the Company has spent ₹ 20.94 million (31 March 2022: ₹ 30.17 million) voluntarily on non-capital related activities.

Details of CSR expenditure:

(₹ in million)

Particulars	31 March 2023	31 March 2022
a) Gross amount required to be spent by the Company during the year	-	-
b) Amount approved by the Board to be spent during the year	22.00	40.10

(₹ in million)

Particulars	In cash	In cash
i) Construction/acquisition of any asset		
Amount spent during the year ending	-	-
ii) On purposes other than (i) above		
Amount spent during the year ending	20.94	30.17
d) Details related to spent/unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project #	1.06	9.93
- Other than ongoing project	-	-

 # Since the amount has been spent as voluntary contribution towards CSR programs, the Company is not required or has no obligation to spend or transfer unspent amount to a separate bank account as per the provisions of the Section 135 of the Companies Act, 2013.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 34: DEPRECIATION AND AMORTISATION EXPENSE

(₹ in million)

	31 March 2023	31 March 2022
Depreciation of tangible assets	272.39	244.91
Depreciation of right-of-use assets	118.70	78.91
Amortisation of intangible assets	47.31	66.83
Total	**438.40**	**390.65**

NOTE 35: FINANCE COST

(₹ in million)

	31 March 2023	31 March 2022
Interest on financial liabilities measured at amortised cost	1,186.66	675.19
Bill discounting and factoring charges	270.74	78.05
Bank charges	431.18	349.48
Interest on lease liabilities	53.71	16.85
Total	**1,942.29**	**1,119.57**

NOTE 36: EXCEPTIONAL ITEMS

(₹ in million)

	31 March 2023	31 March 2022
Initial public offer related expenses*	-	117.00
Total	**-**	**117.00**

**During the previous year, the Company had filed its Draft Red Herring Prospectus with Securities & Exchange Board of India (SEBI) for a proposed Initial Public Offering (IPO) of its equity shares. The Company incurred expenses of ₹ 117.00 million in connection with proposed IPO. Management has informed that the current market conditions are not conducive for listing and hence the same is not pursued. Accordingly, management has charged off expenses incurred on the IPO as non recurring expenses. Considering the nature of the expenses management has disclosed it as an "exceptional item" for the financial year ended 31 March 2022. It also includes payment of ₹ 30.25 million made to auditors related to professional services rendered for special purpose audits, certification work and deliverables related to proposed initial public offer.*

NOTE 37: EARNINGS PER SHARE (EPS)

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

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

(₹ in million)

	31 March 2023	31 March 2022
Profit attributable to equity shareholders for computation of basic and diluted EPS	3,220.11	2,465.78
Weighted average number of equity shares in calculating basic EPS (restated on account of issuance of bonus shares, refer note 16)	122.36	122.36
Dilutive effect on weighted average number of equity shares outstanding during the year	0.24	-
Weighted average number of equity shares in calculating diluted EPS (restated on account of issuance of bonus shares, refer note 16)	122.60	122.36
Earnings per share (₹)		
Basic (on nominal value of ₹ 2 per share)	26.32	20.15*
Diluted (on nominal value of ₹ 2 per share)	26.27	20.15*

** Previous year earning per share has been restated on account of bonus shares issued during the current year.*

Notes to Financial Statements

for the year ended March 31, 2023
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NOTE 38: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:"

i) Disposal of Khargone Transmission Limited (""KTL"")

During the year ended 31 March 2023, the Company had entered into share purchase agreement and shareholders' agreement dated 21 January 2023 ("the Agreements") among Khargone Transmission Limited ('KTL' referred as "the SPV"), Sterlite Power Transmission Limited ('SPTL'), Axis Trustee Services Limited (on behalf of and acting in its capacity as trustee to India Grid Trust) and IndiGrid Investments Managers Limited (in its capacity as investment manager of India Grid Trust). Pursuant to the Agreements, the Company had transferred 49% of equity in the SPV and for transfer of the remaining 51% equity stake, the Company has received consideration in advance which is non-refundable. The remaining stake will be transferred to the buying shareholder on expiry of the mandatory shareholding period in the SPV. Under the Agreements, the Company had also given the following rights to the buying shareholder:

a. Right to nominate all directors on the board of directors of the SPV;

b. Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meetings of shareholders of the SPV;

c. Irrevocable and unconditional call option to acquire the remaining 51% equity stake in the SPV at later dates.

d. Pledge on the remaining 51% equity stake in the SPV;

e. Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in the SPV.

Basis the above rights and the fact that full non-refundable consideration was received in advance by the Company from the buying shareholder, the Company has derecognised entire investment in the SPV and recognised a loss of ₹ 32.86 million on sale of the SPV during the current year through other comprehensive income.

During the year ended 31 March 2022, the Company had classified Khargone Transmission Limited as 'Asset classified as held for sale' at recoverable value based on the judgement that sale transaction was highly probable. "

ii) Accounting for Merger of Sterlite Grid 4 Limited ("SG4L")

The Scheme of Amalgamation of Sterlite Grid 4 Limited ('SGL4') being a wholly owned subsidiary of the Company with the Company has sanctioned by National Company Law Tribunal ('NCLT') vide its order dated 17 February 2022. The Company received certified copy of the order which is filed with Registrar of Companies on 14 March 2022 ('Effective date').

Management has assessed that the amalgamation of SGL4 (including project SPVs) with the Company as an asset acquisition since it doesn't fulfil/meet the definition of business as per Ind AS 103, Business Combinations. Therefore, the amalgamation of SGL4 with the Company accounted from the Effective date when all substantial conditions for the transfer of assets and liabilities are completed. Also, the amalgamation of SGL4 with the Company has not considered as a common control transaction under Appendix C to Ind AS 103, the comparative periods are not restated."

B. Estimates and Assumptions

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

Notes to Financial Statements

for the year ended March 31, 2023
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i) Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

ii) Revenue recognition for construction contracts- EPC contracts
As described in note 2.2, revenue and costs in respect of construction contracts are recognised by reference to stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Company estimates the total cost of the project at each period end. These estimates are based on the rates agreed with vendors/sub contractors and management's best estimates of the costs that would be incurred for the completion of project based on past experience and/or industry data. These estimates are re-assessed at each period end. Variations in contract works, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract cost will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.
Further details about gratuity obligations are given in Note 39.

iv) Fair value measurement of financial instruments
When the fair values of financial assets recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 46, 47 and 48 for further disclosures.

v) Provision for expected credit losses of trade receivables and contract assets
The Company performs an impairment analysis at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical observed data for defaults. At every reporting date, the historical observed default rates are updated. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Further, for companies engaged in the power infrastructure business, major receivables are from few customers and is based on point of connection mechanism (refer Note 26), hence the concentration of risk with respect to trade receivables is low.

Notes to Financial Statements

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(All amounts in ₹ million unless otherwise stated)

vi) Assumption used in Restricted Stock Units/Employee Stock Options Plan
The Company measures the cost of equity-settled transactions with employees using Black Scholes model to determine the fair value of options. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions relating to vesting of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 54.

NOTE 39: EMPLOYEE BENEFITS

a) **Defined contribution plan**
The Company has defined contribution plan which are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan are as under:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Employer's contribution to provident fund	54.03	56.61
Total	**54.03**	**56.61**

b) **Defined benefit plan**
The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary plus dearness allowance per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to funds. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

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

(₹ in million)

Particulars	31 March 2023	31 March 2022
Defined benefit obligation at the beginning of the year	**113.78**	**100.37**
Interest cost	6.91	5.67
Current service cost	15.28	18.87
Past service cost	(4.38)	-
Liability transferred out	(2.40)	-
Benefits paid	(18.75)	(22.48)
Actuarial (gain)/loss due to change in financial assumptions	(1.75)	6.77
Actuarial (gain)/loss on obligation due to experience adjustments	1.50	3.55
Actuarial (gain)/loss on obligation due to demographic assumptions	4.81	1.03
Present value of defined benefit obligation at the end of the year	**115.00**	**113.78**

Changes in the present value of the defined benefit plan asset:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Defined benefit plan asset at the beginning of the year	**15.62**	-
Employer's contribution	33.38	24.99
Benefits paid	(7.99)	(10.33)
Return on plan assets	1.67	0.96
Present value of defined benefit plan asset at the end of the year	**42.68**	**15.62**

Notes to Financial Statements

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Details of defined benefit obligation

(₹ in million)

Particulars	31 March 2023	31 March 2022
Present value of defined benefit obligation	115.00	113.78
Fair value of plan assets	42.68	15.62
Net defined benefit obligation	**72.32**	**98.16**

Net employee benefit expense recognised in the statement of profit and loss:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Current service cost	15.28	18.87
Past service cost	(4.38)	-
Interest cost on benefit obligation	6.91	5.67
Realised return on plan assets	(0.95)	-
Net benefit expense	**16.86**	**24.54**

Expenses recognised in other comprehensive income (OCI) for current period

(₹ in million)

Particulars	31 March 2023	31 March 2022
Actuarial (gain)/loss on obligation for the year		
- changes in demographic assumption	4.81	1.03
- changes in financial assumption	(1.75)	6.77
- experience variance	1.50	3.55
- Return on plan assets excluding amounts recognised in net interest expense	(0.72)	(0.96)
Net expense for the period recognised in OCI	**3.84**	**10.39**

The net liability disclosed above related to funded plan is as follows:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Defined benefit obligation	115.00	113.78
Plan assets	42.68	15.62
Surplus/(deficit)	(72.32)	(98.16)
Experience adjustments on plan liabilities	1.50	3.55
Experience adjustments on plan assets	-	-

The principal assumptions used in determining defined benefit obligation are shown below:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Discount rate	7.35%	6.10%
Expected rate of return on plan asset	NA	NA
Employee turnover	8.00%-23.00%	15.00%-22.62%
Expected rate of salary increase	10%	9%
Actual rate of return on plan assets	NA	NA

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

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for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Sensitivity analysis

(₹ in million)

Particulars	31 March 2023	31 March 2022
Defined benefit obligation based on current assumptions	115.00	113.78
Delta effect of +1% change in rate of discounting	(7.11)	(5.73)
Delta effect of -1% change in rate of discounting	7.98	5.46
Delta effect of +1% change in rate of salary increase	6.04	4.82
Delta effect of -1% change in rate of salary increase	(5.84)	(5.34)
Delta effect of +1% change in rate of employee turnover	(4.50)	(4.30)
Delta effect of -1% change in rate of employee turnover	7.52	8.32

Maturity profile of defined benefit obligation (undiscounted basis)

(₹ in million)

Particulars	31 March 2023	31 March 2022
Projected benefits payable in future years from the date of reporting		
Within next 1 year	16.59	24.12
Between 2 to 5 years	54.09	60.31
Between 6 to 10 years	53.31	42.72
Beyond 10 years	82.61	33.70

NOTE 40: LEASE LIABILITY

The Company has long term lease contacts for office premises and various vehicles. Information about leases for which the Company is lessee is presented below.

Lease liabilities*

(₹ in million)

Maturity profile	Amount
Less than one year	97.16
One to two years	112.18
Two to five years	232.70
More than five years	-
Total lease liabilities at March 31, 2023	**442.04**

Set out below, are the carrying amount of the Company's liabilities and the movement during the year.

(₹ in million)

Particulars	Amount
Opening lease liabilities as at 1 April 2022	530.60
Add: Additions/(deductions)	-
Add: Interest on lease liabilities	53.71
Add: Payments	(142.27)
As at 31 March 2023	**442.04**
Current	97.16
Non-current	344.88

* Effective interest rate used for discounting of lease liabilities is 11% p.a.

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NOTE 41: CAPITAL AND OTHER COMMITMENTS

(a) Commitment related to further investment in subsidiaries is ₹ 3,647.10 million (31 March 2022: ₹ 4,268.06 million)

(b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) are ₹ 67.65 million (31 March 2022: ₹ 26.55 million).

NOTE 42: CONTINGENT LIABILITIES

(₹ in million)

		31 March 2023	31 March 2022
1	Disputed liabilities in appeal:		
	a) Excise duty	73.56	73.56
	b) Value Added Tax (VAT), Entry Tax and Central Sales Tax (refer note i below)	41.71	38.98
	c) Income tax	3.91	-
	d) Goods and service tax (refer note iii below)	1,827.39	-
2	Performance guarantee to insurer on behalf of subsidiaries	1,669.42	2,265.27
3	**Bank guarantees given:**		
	- To long term transmission customers on behalf of its subsidiary/joint ventures companies.	1,822.10	3,261.25
	- For bidding of projects on behalf of its subsidiaries	609.70	300.00
	- On behalf of India Grid Trust ('IGT')	25.00	25.00
	- To India Grid Trust ('IGT') for various claim with respect to sale of investments	1,163.04	1,336.00
	- For advance received from customers	-	800.00
4	**Corporate guarantees given:**		
	- To India Grid Trust ('IGT') against earn-outs as mentioned in the share purchase agreement with respect to sale of ENICL	350.00	350.00
	- Given on behalf of its related party revenue contract executed	188.60	188.60
	- On behalf of its subsidiary for issuance of non-convertible debentures*	2,000.00	-

** The current outstanding of the non-convertible debentures is ₹ 1,750 millions as at 31 March 2023.*

Further, pursuant to share purchase agreement with India Grid Trust, the Company is to indemnify India Grid Trust for entry tax demand of ₹ 252.78 million (31 March 2022 ₹ 252.78 million), sales tax demands of ₹ 19.07 million (31 March 2022: ₹ 9.34 million) and income tax demands of ₹ 27.92 million (31 March 2022: 27.92 million) in relation to the Companies sold to India Grid Trust.

(i) The above Value Added Tax, Central Sales Tax and Entry Tax demand (along with the applicable interest, wherever levied) pertains to the following matters.

(a) Central Sales Tax demand of ₹ Nil (31 March 2022 ₹ 16.80 million) raised under the Delhi VAT Act, 2004 on account of non-submission of the declaration forms C pending to be received from the customers for the Assessment Year 2014-15.

(b) Value Added Tax, Central Sales Tax and Entry Tax demand of ₹ 14.31 million (31 March 2022 of ₹ 14.31 million) raised under the Madhya Pradesh VAT Act, 2002 on account of non-submission of the declaration forms EI/EII and Form 3 pending to be received/submitted for the Assessment Year 2015-16. The Company has deposited an amount of ₹ 4.77 million (31 March 2022: 4.77 million) while preferring the appeal in this matter.

(c) Central Sales Tax demand of ₹ 5.53 million (31 March 2021 ₹ 5.53 million) raised under the West Bengal VAT Act, 2003 on account of non-submission of the declaration forms C pending to be received/submitted for the Assessment Year 2014-15. The Company has deposited an amount of ₹ 0.56 million (31 March 2022: ₹ 0.56 million) while preferring the appeal in this matter.

(d) Value added tax (VAT) and Central sales tax (CST) demand of ₹ Nil (31 March 2022: ₹ Nil) pertains to Telangana VAT Act, 2003 on account on non-discharge of VAT liability by sub- contractor for the period December 2015 to June 2017. The Company has deposited an amount of ₹ 3.44 million (31 March 2022: ₹ 3.44 million) while preferring the appeal in this matter.

(e) Central Sales Tax demand of ₹ 1.46 million (31 March 2022: 1.46 million) pertains to the demand raised under the Jharkhand VAT Act, 2005 on account of non-submission of the C form and EII forms pending to be received from the suppliers for the Assessment Year 2015-16, Assessment year 2016-17 and Assessment year 2017-18.

(f) Central Sales Tax demand of ₹ 0.88 million (31 March 2022: ₹ 0.88 million) pertains to the demand raised under the Odisha VAT Act, 2004 on account of non-submission of the E1 declaration forms pending to be received from the suppliers for the Assessment Year 2016-17 and 2017-18.The Company has deposited an amount of ₹ 0.10 million (31 March 2022: ₹ 0.10 million) while preferring the appeal in this matter.

g) Value Added Tax demand of ₹ 18.79 million (31 March 2022: ₹ 18.79 million) raised under the Orissa Value Added Tax Act, 2004 on account of non-submission of the C Form pending to be received/submitted for the period October 2015 to March 2016, April 2016 to June 2016 and April 2014 to September 2015.

The Company is contesting the demand by way of preferring appeals to the higher tax authorities and the management, including its tax advisors, believe that it's position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for the tax demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of the operations.

(ii) During the previous year, one of the MSME vendor had filed arbitration proceedings against the Company which is pending before Delhi International Arbitration Centre ("DIAC"). The Company had filed a writ petition to Hon. Delhi High Court basis which the High Court has ordered DIAC for stay of proceedings. The management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the financial statements.

(iii) During the current year, the Company has received show cause notice from Directorate General of Goods & Service Tax Intelligence, Surat Zonal Unit. The Company has received a demand for erroneous refund in respect of exports made on payment of IGST under Rule 96(10) of the CGST Rules, 2017. The Company has filed writ petition against this demand in Honourable Gujarat High Court and has received stay order against the demand. The Company doesn't expect the claim to succeed and has obtained a legal opinion for the said matter. Accordingly, no provision for contingent liability has been made in the financial statements. Further, management believes that even if the payment of GST is made, the same will be re-credited to the electronic credit ledger (excluding penalty and interest) and the same can be utilised to pay the output GST liability.

NOTE 43: HEDGING ACTIVITIES AND DERIVATIVES

Cash flow hedges

Foreign exchange forward contracts

Foreign exchange forward contracts measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments, majorly for sales and purchases in USD and EUR. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates. The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

Commodity future contracts

Commodity future contracts entered on London Metal Exchange (LME) measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments for purchases of aluminium and copper. The futures contract balances vary with the level of expected quantity of purchases of aluminium and copper. The terms of the future contracts match the terms of the expected highly probable forecast transactions/firm commitments. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

The cash flow hedges as at 31 March 2023 were assessed to be highly effective, and a net unrealised gain of ₹ 22.34 million (net of deferred tax of ₹ 7.51 million), (31 March 2022 ₹ 1,603.10 million) (net of deferred tax of ₹ 538.28 million) is included in other comprehensive income. The amounts retained in other comprehensive income at 31 March 2023 are expected to mature and affect the statement of profit and loss for the year ending 31 March 2024.

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NOTE 44: DERIVATIVE INSTRUMENTS

(a) The following are the outstanding forward exchange contracts entered into by the Company, for hedge purpose, as on 31 March 2023

Purpose	Foreign currency (In million)	Amount (₹ in million)	Buy/Sell	No. of contracts (Quantity)
31 March 2023				
Hedge of payables, suppliers credit and highly probable purchases	USD 183.26	15,067.06	Buy	258
Hedge of trade receivables, margin money deposits and highly probable sale	USD 125.69	10,333.65	Sell	85
Hedge of payables and highly probable purchases	EUR 1.39	124.65	Buy	1
Hedge of trade receivables and highly probable sale	EUR 15.88	1,422.59	Sell	10
31 March 2022				
Hedge of payables, suppliers credit and highly probable purchases	USD 101.33	7,681.30	Buy	141
Hedge of trade receivables, margin money deposits and highly probable sale	USD 114.05	8,645.76	Sell	60
Hedge of payables and highly probable purchases	EUR 1.05	88.72	Buy	3
Hedge of trade receivables and highly probable sale	EUR 6.68	565.94	Sell	10

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Amounts payable in foreign currency on account of the following:

Category	Currency type	Foreign currency (In million)	Amount (₹ in million)
31 March 2023			
Import of goods and services	EUR	0.02	1.94
Import of goods and services	USD	0.62	50.89
31 March 2022			
Import of goods and services	EUR	0.00*	0.13
Import of goods and services	USD	0.13	9.62

** Amount less than ₹0.01 million*

(c) Commodity future contracts to hedge against fluctuation in commodity prices:

The following are the outstanding future contracts entered into by the Company as on 31 March 2023

Year	Commodity type	No. of contracts	Contracted quantity (MT)	Buy/Sell
31 March 2023	Aluminium	288	99,814.00	Buy
31 March 2023	Aluminium	76	49,255.00	Sell
31 March 2023	Copper	33	2,565.00	Buy
31 March 2023	Copper	19	984.00	Sell
31 March 2022	Aluminium	127	34,622.00	Buy
31 March 2022	Aluminium	19	9,345.00	Sell
31 March 2022	Copper	6	153.00	Buy
31 March 2022	Copper	4	149.00	Sell

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NOTE 45: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

(₹ in million)

Description	31 March 2023	31 March 2022
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	884.12	490.95
Interest due on above	18.24	5.34
(ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	24.29	6.05
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	-	-

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent of ₹ 24.29 million (31 March 2022: 6.05 Million) is accrued in the books of accounts.

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the suppliers/information available with the Company regarding their status under MSMED Act, 2006.

NOTE 46: FAIR VALUES

Set out below is the comparison of class of the carrying amount and fair value of the Company's financial instruments that are recognized in the financial statements:

(₹ in million)

Particulars	Carrying value		Fair value	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Financial assets				
- **At fair value through other comprehensive income**				
Investment in equity instruments	3,706.16	5,249.51	3,706.16	5,249.51
Equity component of loan given to subsidiaries	460.09	333.78	460.09	333.78
Derivative instruments	539.42	522.69	539.42	522.69
- **At fair value through statement of profit or loss**				
Investment in Compulsorily convertible debentures	1,018.83	48.63	1,018.83	48.63
Investment in mutual funds	805.00	-	805.00	-
- **At amortised cost**				
Investment in non-convertible debentures	7,463.02	5,813.18	7,463.02	5,813.18
Loans	2,113.07	5,751.92	2,113.07	5,751.92
Trade receivables	16,772.24	13,491.50	16,772.24	13,491.50
Cash and cash equivalents	3,221.10	1,859.54	3,221.10	1,859.54
Other bank balances	978.80	465.64	978.80	465.64
Other financial assets	2,489.46	2,428.21	2,489.46	2,428.21
Total	**39,567.19**	**35,964.60**	**39,567.19**	**35,964.60**
- **At fair value through other comprehensive income**				
Derivative instruments	58.09	7.46	58.09	7.46
- **At amortised cost**				

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(₹ in million)

Particulars	Carrying value		Fair value	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Borrowings	4,716.09	2,513.08	4,716.09	2,513.08
Lease liabilities	442.04	530.60	442.04	530.60
Trade payables	17,260.51	12,997.56	17,260.51	12,997.56
Other financial liabilities	1,133.92	1,003.39	1,133.92	1,003.39
Total	**23,610.65**	**17,052.09**	**23,610.65**	**17,052.09**

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, other financial assets and liabilities and lease liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has further assessed that borrowings availed and loans given approximate their carrying amounts largely due to the interest rates being variable or in case of fixed rate borrowings/loans, movements in interest rates from the recognition of such financial instrument till period end not being material.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted mutual funds are based on net asset value (NAV) available as at reporting date.
- The fair values of the unquoted equity instruments and compulsorily convertible debentures have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments and compulsorily convertible debentures.
- The Company enters into derivative financial instruments with financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporates various inputs including the credit quality counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spread between the respective currencies, interest rate curves etc. The fair values of commodity futures contracts are based on price quotations on LME at the reporting date. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2023 and 31 March 2022 are as shown below:

Description of significant unobservable inputs to valuation:

A FVTOCI assets - unquoted equity shares in subsidiaries and joint ventures and compulsorily convertible debentures of joint ventures

The fair value of the investments in equity instruments of subsidiaries and joint ventures and and compulsorily convertible debentures of joint ventures have been determined based on the fair values of the various Indian and Brazilian transmission projects owned by the Company. Such fair values have been computed based on discounted cash flow (DCF) method during the year ended 31 March 2023 and 31 March 2022.

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(a) Investment in Indian transmission projects in equity shares and compulsorily convertible debentures of joint ventures

(₹ in million)

Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value	
			31 March 2023	31 March 2022
i) Cost of equity	(i) Operational projects 31 March 2023: 12.75% 31 March 2022: NA			
	(ii) New/under construction project 31 March 2023: 13.25%- 14.75% 31 March 2022: 13.50%- 15.00%	(+) 0.5% (-) 0.5%	(466.00) 509.13	(390.27) 422.89
ii) Cost of debt	31 March 2023: 7.50% - 7.75% 31 March 2022: 8.00%	(+) 0.5% (-) 0.5%	(1,971.68) 1,958.80	(2,287.14) 2,277.07
iii) Incremental tariff expected to be approved by CERC in respect of cost overruns due to force majeure/change in law (as % of non-escalable tariff)	Change in law claim has been considered in the fair valuation of Lakadia Vadodara Transmission Project Limited for the year ended 31 March 2023.	(+) 5% (of non-escalable tariff) (-) 5% (of non-escalable tariff)	120.32 (120.76)	32.89 (32.89)
iv) Project cost (for under construction assets) (note 1)		(+) 5% (-) 5%	(2,487.96) 2,483.96	(3,875.64) 1,897.67

Note 1:

(₹ in million)

Project	Project cost	
	31 March 2023	31 March 2022
Goa-Tamnar Transmission Project Limited	17,685.28	13,442.00
Lakadia Vadodara Transmission Project Limited	23,088.70	20,291.00
Mumbai Urja Marg Limited	27,992.85	27,800.00
Nangalbibra-Bongaigaon Transmission Limited	5,895.84	5,560.00
Udupi Kasargode Transmission Limited	7,658.00	7,780.00

(b) Investment in Brazilian transmission projects:

Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value	
			31 March 2023	31 March 2022
i) Cost of equity	(i) Operational projects- 31 March 2023: 13.00% 31 March 2022: NA	(+) 0.5%	(509.09)	(353.99)
	(ii) New/under construction project - 31 March 2023: 13.00% - 14.50% 31 March 2022: 14.75%	(-) 0.5%	554.43	326.50
ii) Cost of debt	31 March 2023: 6.10% to 10.00% 31 March 2022: 4.50% to 7.00%	(+) 0.5% (-) 0.5%	(564.32) 562.70	(647.80) 573.07
iii) Inflation	31 March 2023: 1.78% 31 March 2022: 1.23%	(+) 5% (-) 5%	185.52 (171.33)	133.68 (141.64)
iv) Project cost (for under construction assets)		(+) 5% (-) 5%	(2,302.39) 2,288.75	(1,902.05) 1,839.19

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B. FVTOCI assets - Unquoted equity shares in Sharper Shape Group Inc.
Valuation technique: Discounted cash flow (DCF) method

(₹ in million)

Sr. No.	Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value 31 March 2023	Increase/(decrease) in fair value 31 March 2022
(i)	Discount for lack of marketability	31 March 2023: 20%	5% increase	(5.67)	(6.27)
		31 March 2022: 10%	5% decrease	6.93	6.27

C. FVTOCI assets - Unquoted equity shares in Maharashtra Transmission Communication Infrastructure Limited (MTCIL)*
Valuation technique: Discounted cash flow (DCF) method

Sr. No.	Significant unobservable inputs	Range	Sensitivity of the input to fair value	Fair value 31 March 2023
(i)	Discount rate	31 March 2023: 18.87%	2% increase	(34.12)
			2% decrease	40.94
(ii)	Terminal growth rate	31 March 2023: 2.00%	1% increase	12.39
			1% decrease	(12.39)

**MTCIL was acquired on 31 March 2022 and hence valuation was not carried out during previous year.*

NOTE 47: FAIR VALUES HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2023 and 31 March 2022

(₹ in million)

	Amount	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/(liabilities) measured at fair value through profit and loss				
Investment in mutual funds				
As at 31 March 2023	805.00	805.00	-	-
As at 31 March 2022	-	-	-	-
Investment in compulsorily convertible debentures				
As at 31 March 2023	1,018.83	-	-	1,018.83
As at 31 March 2022	48.63	-	-	48.63
Assets/(liabilities) measured at fair value through other comprehensive income				
Investment in equity instruments				
As at 31 March 2023	3,706.16	-	-	3,706.16
As at 31 March 2022	5,249.51	-	-	5,249.51
Derivative asset/(liabilities) (net)				
As at 31 March 2023	481.33	-	481.33	-
As at 31 March 2022	515.23	-	515.23	-

There have been no transfers among Level 1, Level 2 and Level 3.

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NOTE 48: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and short-term deposits and other financial assets that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Company reviews and agrees policies for managing each of these risks, which are summarised below:

The Risk Management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Management has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit Risk, Liquidity Risk and Market risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2023 and 31 March 2022.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2023.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at 31 March 2023 and 31 March 2022.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate primarily relates to the Company's long term debt obligations with floating interest rates.

The Company is exposed to the interest rate fluctuation in domestic borrowing.

Interest rate sensitivity

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

(₹ in million)

Particulars	Increase/ decrease in basis points	Effect on profit before tax
31 March 2023		
Base Rate	+50	(11.74)
Base Rate	-50	11.74
31 March 2022		
Base Rate	+50	(9.75)
Base Rate	-50	9.75

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Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company has a policy to keep minimum forex exposure on the books that are likely to occur within a maximum 12-month period for hedges of forecasted sales and purchases.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Out of total foreign currency exposure, the Company has hedged the exposure of 99.99% as at 31 March 2023 and 99.99% as at 31 March 2022.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Company's exposure to foreign currency changes for all other currencies is not material. With all the other variable held constant, the Company's profit before tax is affected through the impact on change of foreign currency rate as follows:

(₹ in million)

	Change in USD rate	Effect on profit before tax	Change in Euro rate	Effect on profit before tax
31 March 2023	+5%	(2.54)	+5%	(0.10)
	-5%	2.54	-5%	0.10
31 March 2022	+5%	(0.48)	+5%	(0.01)
	-5%	0.48	-5%	0.01

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of aluminium and copper for manufacture of conductor and OPGW, power cables and therefore require a continuous supply of aluminium and copper. Due to the volatility of the price of aluminium and copper, the Company enters into various purchase contracts for aluminium and copper on London Metal Exchange. The prices in these purchase contracts are linked to the price on London Metal Exchange.

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Based on forecasted delivery plans, the Company hedges the aluminium and copper price using future commodity contracts. The forecast is deemed to be highly probable.

Commodity price sensitivity

As per the Company's policy for commodity price hedging, all the commodity price exposures as on reporting dates are fully hedged. Thus, there are no open unhedged exposures on the reporting dates.

Equity price risk

The Company has invested in mutual fund units, compulsory convertible debentures and unlisted equity securities which are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to mutual fund units, compulsory convertible debentures and unlisted equity securities at fair value is ₹ 5,529.99 million (31

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March 2022: ₹ 5,298.12 million). Sensitivity analysis of these investments have been provided in note 46.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financials guarantee given by the Company on behalf of subsidiaries. The Company's maximum exposure in this regard is the maximum amount Company could have to pay if the guarantee is called on as at 31 March 2023 is ₹ 6,158.45 million (31 March 2022: ₹ 6,260.85 million). These financial guarantees have been issued to bank and long term transmission customer on behalf of its subsidiaries and joint ventures. Based on the expectations at the end of reporting period, the Company considers likelihood of any claim under guarantee is remote.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year . The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2023 and 31 March 2022 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in Note 43 and the liquidity table below:

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

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The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 60 - 180 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(₹ in million)

Particulars	Payable on demand	Less than 1 year	1 year to 5 years	> 5 years	Total
As at 31 March 2023					
Borrowings #	1,990.89	2,787.16	430.00	-	5,208.05
Lease liabilities	-	97.16	344.88	-	442.04
Other financial liabilities	-	582.35	24.55	-	606.90
Trade payables	-	17,260.51	-	-	17,260.51
Payables for purchase of property, plant and equipment	-	35.06	-	-	35.06
Derivatives	-	58.09	-	-	58.09
Financial/Performance guarantee contracts*	6,158.45	-	-	-	6,158.45
Total	**8,149.34**	**20,820.33**	**799.43**	**-**	**29,769.10**
As at 31 March 2022					
Borrowings #	1,851.83	825.64	187.61	-	2,865.08
Lease liabilities	-	86.33	444.27	-	530.60
Other financial liabilities	-	437.05	149.21	-	586.26
Trade payables	-	12,997.56	-	-	12,997.56
Payables for purchase of property, plant and equipment	-	65.13	-	-	65.13
Derivatives	-	7.46	-	-	7.46
Financial/Performance guarantee contracts*	6,261.00	-	-	-	6,261.00
Total	**8,112.83**	**14,419.17**	**781.09**	**-**	**23,313.09**

 # Including short and term long term borrowings and interest accrued thereon.

** Based on the maximum amount that can be called for under the financial guarantee contract. Financial guarantee contract pertains to guarantees given to term loan lender, long term transmission customer on behalf of subsidiaries etc. These will be invoked in case of default by subsidiaries (refer note 42).*

Notes to Financial Statements
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NOTE 49: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, borrowings, trade payables, other financial liabilities and advances received from customers less cash and short-term deposits and current investments, excluding discontinued operations, if any.

(₹ in million)

Particulars	March 31, 2023	March 31, 2022
Borrowings#	5,208.05	2,865.08
Trade payables	17,260.51	12,997.56
Other financial liabilities	700.05	658.85
Advances received from customers	12,976.72	8,116.18
Less: Cash and short-term deposits and current investments	(5,004.90)	(2,325.18)
Net debt	**31,140.43**	**22,312.49**
Equity share capital	244.72	122.36
Other equity	18,137.88	19,507.73
Total capital	**18,382.60**	**19,630.09**
Capital and net debt	**49,523.03**	**41,942.58**
Gearing ratio	**62.88%**	**53.20%**

 # Including short and term long term borrowings and interest accrued thereon.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period except those specified in note 19.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

NOTE 50: RELATED PARTY DISCLOSURES

Related party disclosures as required by Ind AS 24, "Related Party Disclosures" :-

(A) Name of related party and nature of its relationship:

(a) Related parties where control exists

(i) Holding company

Twin Star Overseas Limited, Mauritius (immediate holding company)
Volcan Investments Limited, Bahamas (ultimate holding company)

(ii) Subsidiaries

Sterlite Grid 4 Limited (till 15 March 2022, merged thereafter, refer note 56)
Sterlite Grid 5 Limited
Sterlite Grid 6 Limited
Sterlite Grid 7 Limited
Sterlite Grid 8 Limited
Sterlite Grid 9 Limited
Sterlite Grid 10 Limited
Sterlite Grid 11 Limited

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for the year ended March 31, 2023
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Sterlite Grid 12 Limited
Sterlite Grid 14 Limited (till 05 April 2021)
Sterlite Grid 15 Limited
Sterlite Grid 16 Limited
Sterlite Grid 17 Limited
Sterlite Grid 18 Limited (till 05 April 2021)
Sterlite Grid 19 Limited
Sterlite Grid 20 Limited
Sterlite Grid 21 Limited
Sterlite Grid 22 Limited
Sterlite Grid 23 Limited
Sterlite Grid 24 Limited
Sterlite Grid 25 Limited
Sterlite Grid 26 Limited
Sterlite Grid 27 Limited
Sterlite Grid 28 Limited
Sterlite Grid 29 Limited (till 05 April 2021)
Sterlite Grid 30 Limited
Sterlite Grid 31 Limited
Sterlite Grid 32 Limited
Sterlite Grid 33 Limited
Sterlite Grid 34 Limited
Sterlite Grid 35 Limited
Sterlite Grid 36 Limited
Sterlite Grid 37 Limited
Sterlite Grid 38 Limited
Sterlite Grid 39 Limited
Sterlite Grid 40 Limited
Sterlite EdIndia Foundation
Khargone Transmission Limited (till 01 March 2023)
Sterlite Convergence Limited
Goa-Tamnar Transmission Project Limited (till 05 April 2021)
Udupi Kasargode Transmission Limited (till 05 April 2021)
Lakadia-Vadodara Transmission Project Limited (till 05 April 2021)
Nangalbibra-Bongaigaon Transmission Limited (from 16 December 2021)
One Grid Limited
Kishwtar Transmission Limited (from 06 Decemeber 2022)
Sterlite Interlinks Limited (from 01 June 2022)
Maharashtra Transmission Communication Infrastructure Limited (from 31 March 2022)
Se Vineyards Power Transmission S.A., Brazil (till 30 Novemeber 2022)
Sterlite Brazil Participicoes, S.A., Brazil
Dunas Transmissão de Energia S.A (till 02 June 2021)
Marituba Transmissão de Energia S.A.
São Francisco Transmissão de Energia S.A.
GBS Participicoes S.A. Brazil (From 16 April 2021)
Goyas Transmissão de Energia S.A.
Borborema Transmissão de Energia S.A.
Solaris Transmissão de Energia S.A.
Vineyards Participicoes S.A. (till 30 Novemeber 2022)
Jaçanã Transmissão de Energia S.A (Erstwhile Jaçanã Energia Ltd) (from 21 February 2022)
Olindina Participaçõies S.A. (Erstwhile Jaçanã Transmissão de Energia S.A) (from 01 February 2022)
Tangará Transmissão de Energia S.A. (Erstwhile Cerrado Transmissão de Energia S.A) (from 15 June 2022)
Serra Negra Transmissão de Energia S.A (Erstwhile Veredas Transmissão de Energia S.A (from 15 June 2022)
SF 542 Participações Societárias (from 28 July 2022)

Notes to Financial Statements

for the year ended March 31, 2023
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(iii) Associate

Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited (till 14 January 2022)
Sterlite Interlinks Limited (till 31 May 2022)
NER-II Transmission Limited (till 29 June 2021)

(iv) Joint Ventures

Sterlite Grid 13 Limited
Sterlite Grid 14 Limited (from 06 April 2021)
Sterlite Grid 18 Limited (from 06 April 2021)
Sterlite Grid 29 Limited (from 06 April 2021)

(v) Subsidiaries of joint ventures

Mumbai Urja Marg Limited (Erstwhile Vapi II-North Lakhimpur Transmission Limited)
Udupi Kasargode Transmission Limited (from 06 April 2021)
Lakadia-Vadodara Transmission Project Limited (from 06 April 2021)
Goa-Tamnar Transmission Project Limited (from 06 April 2021)

(b) Other related parties under IND AS-24 "Related party disclosures" with whom transactions have taken place during the year

(i) Key Management Personnel (KMP)

Mr. Pravin Agarwal (Chairman)
Mr. Pratik Agarwal (Managing Director)
Mr. Anuraag Srivastava (Chief Financial Officer) (till 30 September 2021)
Mr. Sanjeev Bhatia (Chief Financial Officer) (from 01 October 2021)
Mr. Manish Agrawal (Whole time Director) (from 17 December 2021)
Mrs. Kamaljeet Kaur (Whole time Director) (from 29 June 2022)

(ii) Fellow subsidiaries

Vedanta Limited
Bharat Aluminium Company Limited
Hindustan Zinc Limited
Sterlite Technologies Limited
Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited) (till 9 March 2023)
Serentica Renewables India 1 Private Limited (till 9 March 2023)
Serentica Renewables India 4 Private Limited (till 9 March 2023)
Serentica Renewables India 9 Private Limited (till 9 March 2023)
Maharashtra Transmission Communication Infrastructure Limited (till 30 March 2022)
ESL Steels Limited (formerly know as Electrosteel Steels Limited)

(iii) Associate of immediate holding company

Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited) (from 10 March 2023)
Serentica Renewables India 1 Private Limited (from 10 March 2023)
Serentica Renewables India 4 Private Limited (from 10 March 2023)
Serentica Renewables India 9 Private Limited (from 10 March 2023)

(c) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

(i) Key Management Personnel (KMP)

Mr. Ashok Ganesan (Company Secretary)
Mr. Arun Todarwal (Director) (till 24 July 2021)
Mr. Anoop Seth (Independent Director)
Ms. Zhao Haixia (Director) (till 31 March 2022)
Mr. A.R. Narayanswamy (Independent Director)

Notes to Financial Statements

for the year ended March 31, 2023
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(ii) Entities in which directors are interested

PTC Cables Private Limited (till 24 July 2021)
Talwndi Sabo Power Limited
Universal Floritech LLP

(iiii) Relative of key management personnel (KMP)

Mr. Navin Kumar Agarwal
Mrs. Suman Didwania

(B) The transactions with related parties during the year and their outstanding balances are as follows:

(₹ in million)

S. No.	Particulars	Holding Company, Subsidiaries & Fellow subsidiary		Associate, Joint Ventures and its subsidiaries, Associate of immediate holding company		KMP, Relatives of KMP and Director interested parties	
	Transactions	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	Subscription/acquisition of equity shares including pending allotment	430.00	-	162.01	1,007.90	-	-
2	Loans and advances given by the Company	1,193.16	1,217.28	307.00	-	-	-
3	Investment in Non-convertible debentures (NCDs)	-	-	837.40	3,576.80	-	-
4	Investment in Compulsory-convertible debentures (CCDs)	-	-	919.70	99.13	-	-
5	Repayment of loans and advances given by the Company*	325.19	1,749.48	307.00	27.00	-	-
6	Loan taken by the Company	2,930.00	-	-	-	-	-
7	Loan repaid by the Company	750.00	-	-	-	-	-
8	Revenue from EPC contract with customer	2,196.93	429.94	7,436.52	19,945.09	-	-
9	Sale of goods (including GST)	345.19	42.23	-	-	-	-
10	Secondment fee income	-	-	3.42	3.71	-	-
11	Management fees income (excluding GST)	555.65	53.18	19.59	0.73	-	-
12	Performance bank guarantee charge recovered from subsidiary	17.95	21.93	-	-	-	-
13	Interest income accrued or interest received	5.99	7.81	708.47	562.96	-	-
14	Purchase of goods and services (including GST)	18,712.12	13,355.18	-	-	0.20	-
15	Interest cost	723.16	125.32	-	-	-	44.90
16	Purchase of power	44.44	31.33	-	-	-	-
17	Remuneration given to KMP	-	-	-	-	150.51	149.96
18	Director sitting fees	-	-	-	-	6.50	10.63
19	Director Commission	-	-	-	-	2.70	3.54
20	CSR expenditure	20.94	29.00	-	-	-	-
21	Advance received against contracts (excluding tax)	635.24	843.49	123.31	405.92	-	-
22	Reimbursement of expense paid to related parties	4.60	15.50	-	-	-	-
23	Reimbursement of expense paid on behalf of related parties	20.38	46.80	3.26	52.99	-	-
24	Bank guarantee given to related parties	-	-	-	800.00	-	-
25	Corporate guarantee given on behalf of related parties	2,000.00	-	-	-	-	-
26	Bank/performance guarantee given on behalf of related parties	1,319.00	303.90	0.21	0.20	-	-
27	Dividend paid	-	236.50	-	-	-	8.00

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(₹ in million)

S. No.	Outstanding Balances	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
1	Loans and advances receivable*	2,744.89	6,030.52	-	-	-	-
2	Short term borrowings	2,180.00	-	-	-	-	-
3	Investment in non-convertible debentures (NCD)	-	-	7,463.02	5,917.39	-	-
4	Investment in compulsorily convertible debentures (CCD)	-	-	1,018.83	99.13	-	-
5	Trade receivables	1,136.05	196.61	7,028.20	6,610.14	-	-
6	Trade payables	7,105.27	3,423.26	-	-	-	-
7	Payable against purchase consideration	130.00	230.00	-	-	-	-
8	Amount payable against supplies, services and reimbursement of expenses (net of advance)	-	-	5.17	-	-	-
9	Amount receivable against supplies, services and reimbursement of expenses (net of payable)	58.26	83.88	36.61	52.99	-	-
10	Advances recoverable in cash from related party	28.40	-	-	28.40	-	-
11	Advance from customers	1,065.76	843.49	3,268.23	4,761.59	-	-
12	Advance to vendors	8.85	-	-	-	-	-
13	Corporate guarantee given outstanding at year end	2,188.60	188.60	-	-	-	-
14	Bank/performance guarantee given outstanding at year end	3,278.77	4,580.62	822.45	2,045.90	-	-

During the current year, the Company has sold its investment in equity shares of its wholly owned subsidiary 'Khargone Transmission Limited (KTL)' on 2 March 2023 accordingly it ceases to be the related party of the Company. Accordingly, the loan repaid by KTL of ₹ 3,340 million post transfer of stake in KTL has not been shown as part of the related party transactions.

(C) The major transactions with related parties during the year are as follows:

(₹ in million)

		Relationship	31 March 2023	31 March 2022
1	**Subscription/acquisition of equity shares including pending allotment**			
	Sterlite Grid 13 Limited	Joint Venture	162.01	-
	Sterlite Grid 14 Limited	Joint Venture	-	0.10

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(₹ in million)

	Relationship	31 March 2023	31 March 2022
Sterlite Grid 18 Limited	Joint Venture	-	618.11
Sterlite Grid 29 Limited	Joint Venture	-	389.69
Sterlite Grid 31 Limited	Subsidiary	1.50	-
Sterlite Grid 32 Limited	Subsidiary	1.50	-
Sterlite Grid 33 Limited	Subsidiary	1.50	-
Sterlite Grid 34 Limited	Subsidiary	1.50	-
Sterlite Grid 35 Limited	Subsidiary	1.50	-
Sterlite Grid 36 Limited	Subsidiary	0.10	-
Sterlite Grid 37 Limited	Subsidiary	0.10	-
Sterlite Grid 38 Limited	Subsidiary	0.10	-
Sterlite Grid 39 Limited	Subsidiary	0.10	-
Sterlite Grid 40 Limited	Subsidiary	0.10	-
Sterlite Brazil Participicoes, S.A., Brazil	Subsidiary	422.00	-
2 Loans and advances given by the Company			
Khargone Transmission Limited	Subsidiary (till 1 March, 2023)	2.80	-
Sterlite Convergence Limited	Subsidiary	-	41.70
Sterlite Grid 5 Limited	Subsidiary	2.84	602.51
Sterlite Grid 6 Limited	Subsidiary	0.67	1.39
Sterlite Grid 7 Limited	Subsidiary	4.56	0.83
Sterlite Grid 8 Limited	Subsidiary	1.23	0.80
Sterlite Grid 9 Limited	Subsidiary	0.83	0.81
Sterlite Grid 10 Limited	Subsidiary	0.24	0.79
Sterlite Grid 11 Limited	Subsidiary	0.84	0.80
Sterlite Grid 12 Limited	Subsidiary	0.82	1.41
Sterlite Grid 15 Limited	Subsidiary	0.15	1.37
Sterlite Grid 16 Limited	Subsidiary	185.04	-
Sterlite Grid 17 Limited	Subsidiary	0.67	0.04
Sterlite Grid 19 Limited	Subsidiary	0.66	0.65
Sterlite Grid 20 Limited	Subsidiary	1.06	0.65
Sterlite Grid 21 Limited	Subsidiary	1.52	0.65
Sterlite Grid 22 Limited	Subsidiary	0.06	0.63
Sterlite Grid 23 Limited	Subsidiary	0.62	0.32
Sterlite Grid 24 Limited	Subsidiary	434.70	0.00*
Sterlite Grid 25 Limited	Subsidiary	0.02	-
Sterlite Grid 26 Limited	Subsidiary	367.00	525.63
Sterlite Grid 27 Limited	Subsidiary	2.52	0.61
Sterlite Grid 28 Limited	Subsidiary	0.02	0.61
Sterlite Grid 30 Limited	Subsidiary	0.78	0.07
Sterlite Grid 37 Limited	Subsidiary	0.59	-
Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Fellow Subsidiary (till 9 March 2023)	182.90	35.00
Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from 10 March 2023)	200.00	-
Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	107.00	-
*Amount is less than ₹ 0.01 million			
3 Investment in Non-convertible debentures (NCDs)			
Sterlite Grid 13 Limited	Joint Venture	787.40	507.87
Sterlite Grid 14 Limited	Joint Venture	50.00	228.72

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(₹ in million)

	Relationship	31 March 2023	31 March 2022
Sterlite Grid 18 Limited	Joint Venture	-	964.36
Sterlite Grid 29 Limited	Joint Venture	-	1,875.86
4 Investment in Compulsory-convertible debentures (CCDs)			
Sterlite Grid 18 Limited	Joint Venture	794.70	50.50
Sterlite Grid 29 Limited	Joint Venture	125.00	48.63
5 Repayment of loans and advances given by the Company			
Sterlite Grid 5 Limited	Subsidiary	-	1,157.64
Sterlite Grid 16 Limited	Subsidiary	40.22	-
Sterlite Grid 26 Limited	Subsidiary	67.07	-
Sterlite Technologies Limited	Fellow Subsidiary	-	101.50
Khargone Transmission Limited	Subsidiary (till 1 March, 2023)	-	281.40
Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Fellow Subsidiary (till 9 March 2023)	217.90	208.94
Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from 10 March 2023)	200.00	-
Sterlite Grid 14 Limited	Joint Venture	-	27.00
Lakadia-Vodadara Transmission Project Limited	Subsidiary of Joint Venture	107.00	-
6 Loan taken by the Company			
Sterlite Grid 16 Limited	Subsidiary	2,500.00	-
Sterlite Convergence Limited	Subsidiary	430.00	-
7 Loan repaid by the Company			
Sterlite Grid 16 Limited	Subsidiary	750.00	-
8 Revenue from EPC contract with Customer#			
Udupi Kasargode Transmission Limited	Subsidiary of Joint Venture	581.57	2,394.31
Mumbai Urja Marg Limited	Subsidiary of Joint Venture	5,468.97	6,359.68
Goa-Tamnar Transmission Project Limited	Subsidiary of Joint Venture	703.93	2,004.29
Lakadia-Vodadara Transmission Project Limited	Subsidiary of Joint Venture	682.04	9,186.81
Khargone Transmission Limited	Subsidiary (till 1 March, 2023)	142.64	375.88
Nangalbibra-Bongaigaon Transmission Limited	Subsidiary	1,932.90	54.06
Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	121.40	-
9 Sale of goods (including GST)			
Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	42.83	35.36
Sterlite Convergence Limited	Subsidiary	-	6.87
Sterlite Technologies Limited	Fellow Subsidiary	0.46	-
Hindustan Zinc Limited	Fellow Subsidiary	71.67	-
Bharat Aluminium Company Limited	Fellow Subsidiary	14.94	-
Vedanta Limited	Fellow Subsidiary	215.28	-
10 Secondment fee income			
Sterlite Grid 14 Limited	Joint Venture	3.42	3.07
Sterlite Grid 29 Limited	Joint Venture	-	0.64
11 Management fees income (excluding GST)			
Khargone Transmission Limited	Subsidiary (till 1 March, 2023)	10.00	8.92
Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	42.63	24.99

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

		Relationship	31 March 2023	31 March 2022
	Sterlite Brazil Participicoes, S.A., Brazil	Subsidiary	0.79	19.27
	Sterlite Convergence Limited	Subsidiary	4.25	-
	Sterlite Interlinks Limited	Subsidiary w.e.f. 1 June 2022	72.82	-
	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Fellow Subsidiary (till 9 March 2023)	425.17	-
	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from 10 March 2023)	18.80	-
	IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)	Associate (till 14 January 2022)	-	0.73
	Mumbai Urja Marg Limited	Subsidiary of Joint Venture	0.15	-
	Goa-Tamnar Transmission Project Limited	Subsidiary of Joint Venture	0.65	-
12	**Performance bank guarantee charge**			
	Sterlite Brazil Participicoes, S.A., Brazil	Subsidiary	17.95	21.93
13	**Interest income accrued or interest received**			
	Sterlite Technologies Limited	Fellow Subsidiary	-	6.29
	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Fellow Subsidiary (till 9 March 2023)	5.99	1.52
	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from 10 March 2023)	0.24	-
	Sterlite Grid 13 Limited	Joint Venture	233.78	135.56
	Sterlite Grid 14 Limited	Joint Venture	65.54	45.73
	Sterlite Grid 18 Limited	Joint Venture	247.29	241.81
	Sterlite Grid 29 Limited	Joint Venture	161.62	139.87
14	**Purchase of goods and services (including GST)**			
	Vedanta Limited	Fellow Subsidiary	15,510.86	10,647.67
	Bharat Aluminium Company Limited	Fellow Subsidiary	2,350.23	2,195.46
	ESL Steels Limited (formerly know as Electrosteel Steels Limited)	Fellow Subsidiary	317.02	405.88
	Sterlite Technologies Limited	Fellow Subsidiary	140.83	105.97
	Hindustan Zinc Limited	Fellow Subsidiary	-	0.20
	Sterlite Grid 16 Limited	Subsidiary	392.63	-
	Universal Floritech LLP	Fellow Subsidiary	0.56	-
	Talwandi Sabo Power Limited	Director interested parties	0.20	-
15	**Interest cost**			
	Sterlite Grid 16 Limited	Subsidiary	308.47	-
	Sterlite Convergence Limited	Subsidiary	24.15	-
	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	0.93	-
	ESL Steels Limited (formerly know as Electrosteel Steels Limited)	Fellow Subsidiary	5.51	-
	Hindustan Zinc Limited	Fellow Subsidiary	0.03	-
	Vedanta Limited	Fellow Subsidiary	344.90	104.10
	Bharat Aluminium Company Limited	Fellow Subsidiary	39.16	21.22
	PTC Cables Private Limited	Director interested parties	-	44.90

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(All amounts in ₹ million unless otherwise stated)

(₹ in million)

		Relationship	31 March 2023	31 March 2022
16	**Purchase of power**			
	Vedanta Limited	Fellow Subsidiary	44.44	31.33
17	**Remuneration given to KMP (refer note 2 below)**			
	Mr. Anuraag Srivastav	KMP	-	24.28
	Mr. Pratik Agarwal	KMP	74.85	101.50
	Mr. Ashok Ganesan	KMP	11.25	11.81
	Mr. Sanjeev Bhatia	KMP	15.55	6.39
	Mr. Manish Agrawal	KMP	35.29	5.98
	Mrs. Kamaljeet Kaur	KMP	13.57	-
18	**Director sitting fees**			
	Mr. Arun Todarwal	Director (till 24 July 2021)	-	1.40
	Mr. A.R Narayanaswamy	Director	3.60	3.70
	Ms. Haixia Zhao	Director (till 31 March 2022)	-	2.63
	Mr. Anoop Seth	Director	2.90	2.90
19	**Director commission**			
	Mr. Anoop Seth	Director	2.40	-
	Mr. A.R Narayanaswamy	Director	0.30	0.12
	Ms. Haixia Zhao	Director (till 31 March 2022)	-	3.42
20	**CSR expenditure**			
	Sterlite EdIndia Foundation	Subsidiary	20.94	29.00
21	**Advance received against contracts (excluding tax)**			
	Udupi Kasargode Transmission Limited	Subsidiary of Joint Venture	-	405.92
	Nangalbibra-Bongaigaon Transmission Limited	Subsidiary	-	843.49
	Kishtwar Transmission Limited	Subsidiary (from 06 Decemeber 2022)	602.69	-
	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	32.55	-
	Serentica Renewables India 1 Private Limited	Associate of immediate holding company (from 10 March 2023)	84.96	-
	Serentica Renewables India 4 Private Limited	Associate of immediate holding company (from 10 March 2023)	38.35	-
22	**Reimbursement of expense paid to related parties**			
	Sterlite Technologies Limited	Fellow Subsidiary	4.60	15.50
23	**Reimbursement of expense paid on behalf of related parties**			
	Goa-Tamnar Transmission Project Limited	Subsidiary of Joint Venture	0.50	11.89
	Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	-	33.36
	Mumbai Urja Marg Limited	Subsidiary of Joint Venture	-	7.74
	Khargone Transmission Limited	Subsidiary (till 1 March, 2023)	2.73	24.01
	Kishtwar Transmission Limited	Subsidiary (from 06 Decemeber 2022)	1.61	-
	Sterlite Brazil Participicoes, S.A., Brazil	Subsidiary	9.65	17.66
	Vedanta Limited	Fellow Subsidiary	3.00	5.13
	Serentica Renewables India 9 Private Limited	Fellow Subsidiary (till 9 March 2023)	-	-
	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Fellow Subsidiary (till 9 March 2023)	3.40	-
	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from 10 March 2023)	2.76	-

Notes to Financial Statements
for the year ended March 31, 2023
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(₹ in million)

		Relationship	31 March 2023	31 March 2022
24	**Bank guarantee given to related parties**			
	Mumbai Urja Marg Limited	Subsidiary of Joint Venture	-	800.00
25	**Corporate guarantee given on behalf of related parties**			
	Sterlite Grid 16 Limited	Subsidiary	2,000.00	-
26	**Bank/performance guarantee given on behalf of related parties**			
	Sterlite Grid 7 Limited	Subsidiary	216.00	-
	Sterlite Grid 9 Limited	Subsidiary	113.70	-
	Sterlite Grid 10 Limited	Subsidiary	124.00	-
	Sterlite Grid 12 Limited	Subsidiary	392.00	-
	Sterlite Grid 15 Limited	Subsidiary	60.00	-
	Sterlite Grid 17 Limited	Subsidiary	78.00	-
	Sterlite Grid 19 Limited	Subsidiary	312.00	-
	Sterlite Grid 24 Limited	Subsidiary	23.30	-
	Sterlite Grid 26 Limited	Subsidiary	-	103.90
	Sterlite Grid 30 Limited	Subsidiary	-	200.00
	Goa-Tamnar Transmission Project Limited	Joint Venture	0.21	-
	Lakadia-Vadodara Transmission Project Limited	Joint Venture	-	0.20
27	**Dividend paid**			
	Twinstar Overseas Limited	Immediate Holding Company	-	231.45
	Vedanta Limited	Fellow Subsidiary	-	5.05
	Mr. Pravin Agarwal	Chairman	-	4.43
	Mr. Navin Kumar Agarwal	Relative of KMP	-	0.30
	Mrs. Suman Didwania	Relative of KMP	-	0.09
	Mr. Pratik Agarwal	KMP	-	3.18

 # Sales disclosed above are based on actual billings made to subsidiaries in respect of EPC contracts. However, the Company recognises revenue based on percentage of completion method.

Note:

1. All the related party transactions disclosed above have been shown at their nominal values without giving effect to the impact of reclassification into equity and liability and adjustment arising on account of effective interest rate method under Ind AS.

2. **Remuneration to key management personnel:**

(₹ in million)

	31 March 2023	31 March 2022
Short-term employee benefits	150.51	149.96
Post-employment benefits*	-	-
Total	**150.51**	**149.96**

** As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel are not included above.*

Notes to Financial Statements
for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 51: SEGMENT INFORMATION

Operating segment:

The Company has only one operating segment which is power product solution and power transmission infrastructure. On review of all the relevant aspects including, in particular, the system of internal financial reporting to the Board of Directors which is the Chief Operating Decision Maker ('CODM') and considering the economic characteristics of the Company's operations, the Company is of the view that it operates in a single primary segment. Hence, no separate disclosure under India Accounting Standard 108 is considered necessary. As permitted by paragraph 4 of Ind AS-108, 'Operating Segments', if a single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements.

Geographic information:

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows:

The Company's revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

(₹ in million)

Particulars	31 March 2023	31 March 2022
(1) Revenue from external customers		
- Within India	26,677.82	27,037.97
- Outside India	11,800.53	10,772.82
Total revenue per statement of profit and loss	**38,478.35**	**37,810.79**
The revenue information above is based on the locations of the customers		
(2) Non-current operating assets		
- Within India	2,557.71	2,796.33
- Outside India	-	-
Total	**2,557.71**	**2,796.33**

Non-current assets for this purpose consists of property, plant and equipment, Capital work in progress, intangible assets and right-of-use assets.

NOTE 52: EMPLOYEE STOCK APPRECIATION RIGHTS

ESAR scheme 2017

The Company has not granted any Employee Stock Appreciation Rights (ESARs) during the year ended 31 March 2023 and 31 March 2022 to employees under the Employee Stock Appreciation Rights plan 2017 ("ESAR 2017") Scheme ("Scheme") as approved by the Committee formed under the Scheme vide Board Resolution dated 8 October 2017.

Following is the reconciliation of provision for ESARs outstanding issued in earlier years:

(₹ in million)

Particulars	31 March 2023		31 March 2022	
	Numbers	Amount	Numbers	Amount
Opening balance as at the beginning of the year	**-**	**-**	**0.63**	**304.18**
ESARs granted during the period	-	-	-	-
ESARs cancelled/waived	-	-	-	(16.37)
Payment towards ESARs vested	-	-	(0.63)	(287.80)
Closing balance as at the end of the year	**-**	**-**	**-**	**-**

During the previous year ended March 31, 2022, the Company has reversed expense of ₹ 16.37 million in statement of profit & loss account and ₹ 287.80 million was paid to employees towards ESAR vested.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 53 PERFORANCE CASH INCENTIVE PLAN FOR EMPLOYEE

Long Term Incentive Plan 2022

During the previous year, the Company introduced Sterlite Power Plus Performance Cash Incentive Plan– 2021 ('Performance Cash Incentive Plan') for its employees pursuant to the approval from the Nomination and Remuneration committee vide resolution dated 24 September 2021. Performance Cash Incentive Plan is designed to provide annual incentives to the employees of the company to contribute towards long term performance of the Company and achievement of the Company's goals. It is a cash settled plan.

The Nomination and remuneration committee of the Company has approved related vesting conditions. Vesting of the benefits under Performance Cash Incentive Plan would be subject to continuous employment with the Company and certain performance parameters subject to which the incentives would vest. The total cash incentives payable as per the Performance Cash Incentive Plan are approved by the Nomination and remuneration committee and the cash pay out will be spread over a period of 3 years as per the pay out schedule specified in the Performance Cash Incentive Plan based on the performance parameters achieved by the Company during the relevant financial year. Subsequent to the first grant which was issued in Financial year 2021-22, the second grant was issued to eligible employees in current year.

The Company has recorded liability towards Performance Cash Incentive Plan based on the projected unit completion method. The Company has used certain assumptions such as attrition rate and discount rate to derive the present value of the obligation under Performance Cash Incentive Plan.

The details of expenses and liability recognised during the year for the Performance Cash Incentive Plan are as follow:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Opening balance as at the beginning of the year	114.30	-
Performance Cash Incentive Plan provision during the year	33.11	114.30
Payment towards Performance Cash Incentive Plan vested	(59.54)	-
Closing balance as at the end of the year	**87.87**	**114.30**

NOTE- 54 SHARE BASED PAYMENTS:

Details of the Employee Share Option Plan (ESOP) of the Company:

(a) The ESOP titled "Sterlite Power Transmission Limited Restricted Stock Unit Scheme 2022" (RSU 2022/Scheme) was approved by the shareholders on 6 July 2022. Total 12,23,638 RSUs/options are covered under the Scheme which are convertible into equal number of equity shares of the Company. The vesting period of these options range over a period of three years and the options must be exercised within a period of four years from the date of vesting. The Company has granted 3,52,900 options (31 March 2022: Nil) under this scheme during the year ended 31 March 2023.

(b) During the current year, Employee benefit expenses of ₹ 59.06 million (31 March 2022: Nil) relating to the above referred RSU 2022 have been recognised in the Statement of Profit and Loss.

Fair value of share options granted during the year::

The fair value of the share options granted during the year is ₹ 463.21 per option. The Options were priced using a Black-Scholes method of valuation at grant date. Expected volatility is based on the historical share price volatility over the past 3 years. The following assumptions were used for valuation of fair value of options granted during the year:

(₹ in million)

Particulars	Amount
Grant date share price (in ₹)	474.75
Exercise price per share (in ₹)	2.00
Expected life (in years)	3.00 to 5.01
Expected volatility (%)	40.45 to 41.06
Dividend yield (%)	0.56
Risk-free interest rate (%)	6.73 to 7.06

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Employee stock options details as on the balance sheet date are as follows:

(₹ in million)

Particulars	Options (No's)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:	-	-
Granted during the year:	352,900	2.00
Exercised during the year	-	-
Lapsed/cancelled during the year	29,940	-
Options outstanding at the end of the year:*	322,960	2.00
Options available for grant	**900,678**	**2.00**

** Includes options vested but not exercised as at 31 March 2023: Nil (31 March 2022: Nil)*

 # Above grants, exercise price and fair value is adjusted on account of issue of bonus shares during the year as per scheme (refer note 16).

NOTE 55: OTHER NOTES

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is assessing the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

NOTE 56: IMPACT OF MERGER OF STERLITE GRID 4 LIMITED

During the previous year, the Scheme of Amalgamation of Sterlite Grid 4 Limited ('SGL4') being a wholly owned subsidiary of the Company with the Company was sanctioned by National Company Law Tribunal ('NCLT') vide its order dated 17 February 2022. The Company has received certified copy of the order which is filed with Registrar of Companies on March 14, 2022 ('Effective date').

Management has assessed that the amalgamation of SGL4 (including project SPVs) with the Company is an asset acquisition since it doesn't fulfil/meet the definition of business as per Ind AS 103, Business Combinations. Therefore, the amalgamation of SGL4 with the Company was accounted from the Effective date when all substantial conditions for the transfer of assets and liabilities are completed as specified in the scheme.

(a) Balance sheet of Sterlite Grid 4 Limited as on 14 March 2022

(₹ in million)

Particulars	14 March 2022
ASSETS	
Financial assets	
i. Other financial assets	3.37
Total non-current assets	**3.37**
Financial assets	
i. Loans	10,891.86
ii. Cash and cash equivalents	81.33
iii. Bank balances other than (ii) above	1,272.81
iv. Other financial assets	853.57
Other current assets	44.40
Total current assets	**13,143.97**
TOTAL ASSETS	**13,147.34**

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

Particulars	14 March 2022
EQUITY AND LIABILITIES	
Equity	
Equity share capital	0.50
Other equity	
i. Retained earnings	10,441.71
ii. Debenture Redemption Reserve	200.00
Total equity	**10,642.21**
Liabilities	
Current liabilities	
Financial liabilities	
i. Short term borrowings	2,182.32
ii. Other financial liabilities	39.78
Current tax liability (net of advance tax and tds)	283.03
Total current liabilities	**2,505.13**
TOTAL LIABILITIES	**13,147.34**

Notes to Financial Statements

for the year ended March 31, 2023
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NOTE 57: RATIO ANALYSIS AND ITS ELEMENTS

S. No.	Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% change	Reason for variance more than (+/-) 25%
1	Current ratio	Current assets	Current liabilities	1.01	1.23	-18.52%	Not applicable
2	Debt-Equity ratio	Total debt = Total long term borrowings + Short term borrowings + Current maturities of long term borrowings	Shareholder's equity = Share capital + Securities premium + Retained earnings + Other reserves	0.26	0.13	100.40%	The increase in the ratio is majorly on account of the new borrowings which were availed by the Company during the year.
3	Debt service coverage ratio	Net profit after taxes + Non-cash operating expenses like depreciation and amortization + Interest + other adjustments like profit/ loss on sale of property, plant & equipment	Debt service = Interest & lease payments + Principal repayments	2.01	2.54	-20.74%	Not applicable
4	Return on equity ratio	Profit after tax	Average shareholder's equity = (Opening shareholder's equity + Closing shareholder's equity)/2	17%	15%	14.86%	Not applicable
5	Inventory turnover ratio	Cost of goods sold = Cost of raw material and components consumed + Purchase of traded goods + Construction material and contract expense + Decrease/(increase) in inventories of finished goods, work-in-progress and traded goods	Average inventories = (Opening inventories + Closing inventories)/2	5.67	10.19	-44.34%	The decrease in inventory turnover ratio is majorly on account of increase in inventory level of the Company at the end of the current year.
6	Trade receivable turnover ratio	Revenue from operations	Average trade receivables = (Opening trade receivables + Closing trade receivables)/2	2.59	3.27	-20.63%	Not applicable
7	Trade payable turnover ratio	Net credit purchases = Purchase of raw materials and components + Purchase of traded goods + Construction material and contract expense	Average trade payables = (Opening trade payables + Closing trade payables)/2	1.94	2.09	-7.12%	Not applicable

Notes to Financial Statements

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S. No.	Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% change	Reason for variance more than (+/-) 25%
8	Net capital turnover ratio	Revenue from operations	Working capital = Current assets - Current liabilities	199.06	6.89	2787.63%	The increase in the ratio is majorly on account of decrease in net current asset position of the Company due to increase of short term borrowings and advances received from the customer due to increase in operations of the Company.
9	Net profit ratio	Profit/(loss) after tax	Revenue from operations	8%	6%	26.39%	The increase in the ratio is because of increase in profits due to increase in revenue from operations with better margin.
10	Return on capital employed	Earnings before interest and taxes = Earning before interest, tax, depreciation and amortisation - Depreciation and amortisation expense	Capital employed = Shareholder's equity + Total debt + Deferred tax liability (net) - Intangible assets (including under development) - Right of use assets	23%	15%	51.78%	The increase in the ratio is because of Earnings before interest and taxes due to increase in revenue from operations with better margin.
11	Return on investment	Return = Interest income on bank deposits + Gain/(loss) on sale of investments + Dividend income on investments	Investment = Average investments (excluding investments in subsidiaries, associates and joint ventures) + Average deposits with banks	3%	7%	-52.00%	The change in ratio is due to earlier redemption or lesser period of holding fixed deposits.

Notes to Financial Statements

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NOTE 58 : ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. Pursuant to these amendments, the Company has given the significant additional disclosures, as applicable:

(i) The Company has granted loans and made investment in its Joint ventures, associates, subsidiaries, fellow subsidiaries, subsidiaries of Joint ventures and associate of immediate holding company which have been utilised by them in ordinary course of business for further investment in their subsidiaires or for general corporate purpose. Details of the loans given and investments made during the year are as follows and refer note 8 and 7 for the terms of the loans given and investment:

31 March 2023

S. No.	Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
1	Sterlite Grid 5 Limited	Subsidiary	U29190PN2016PLC209044	4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1 Pune Pune MH 411001 IN	Loan Given	Various Dates	2.84
2	Sterlite Grid 6 Limited	Subsidiary	U29309HR2017PLC102137	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.67
3	Sterlite Grid 7 Limited	Subsidiary	U29307HR2017PLC102138	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	4.56
4	Sterlite Grid 8 Limited	Subsidiary	U29309HR2017PLC102332	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	1.23
5	Sterlite Grid 9 Limited	Subsidiary	U29309HR2017PLC101976	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.83
6	Sterlite Grid 10 Limited	Subsidiary	U29100HR2017PLC102281	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.24
7	Sterlite Grid 11 Limited	Subsidiary	U29309HR2017PLC102284	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.83
8	Sterlite Grid 12 Limited	Subsidiary	U29304HR2017PLC102285	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.82
9	Sterlite Grid 13 Limited	Joint venture	U29309HR2018PLC111970	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in non-convertible debentures	Various Dates	787.39
10	Sterlite Grid 13 Limited	Joint venture	U29309HR2018PLC111970	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	31 March 2023	162.01
11	Sterlite Grid 14 Limited	Joint venture	U29300HR2018PLC113220	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in non-convertible debentures	30 Novemeber 2022	50.00

Notes to Financial Statements

for the year ended March 31, 2023
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S. No.	Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
12	Sterlite Grid 15 Limited	Subsidiary	U29309HR2018PLC102131	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	16 Septemeber 2022	0.15
13	Sterlite Grid 16 Limited	Subsidiary	U29249DN2019PLC005563	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	185.04
14	Sterlite Grid 17 Limited	Subsidiary	U29305DN2019PLC005568	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.67
15	Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in compulsury convertible debentures	Various Dates	794.70
16	Sterlite Grid 19 Limited	Subsidiary	U29307DN2019PLC005566	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.67
17	Sterlite Grid 20 Limited	Subsidiary	U29309DN2019PLC005567	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	1.06
18	Sterlite Grid 21 Limited	Subsidiary	U40108DN2019PLC005569	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	1.52
19	Sterlite Grid 22 Limited	Subsidiary	U40100DN2019PLC005572	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.06
20	Sterlite Grid 23 Limited	Subsidiary	U40106DN2019PLC005574	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.62
21	Sterlite Grid 24 Limited	Subsidiary	U40106DN2019PLC005573	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	434.70
22	Sterlite Grid 25 Limited	Subsidiary	U40200DN2019PLC005575	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.02
23	Sterlite Grid 26 Limited	Subsidiary	U40108DN2019PLC005577	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	367.00
24	Sterlite Grid 27 Limited	Subsidiary	U40200DN2019PLC005576	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	2.52

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(All amounts in ₹ million unless otherwise stated)

S. No.	Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
25	Sterlite Grid 28 Limited	Subsidiary	U40100DN2019PLC005582	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	16 September 2022	0.02
26	Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230	Investment in compulsury convertible debentures	Various Dates	125.00
27	Sterlite Grid 30 Limited	Subsidiary	U40106HR2017PLC101978	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.78
28	Sterlite Grid 31 Limited	Subsidiary	U40100HR2022PLC103933	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	29 June 2022	1.50
29	Sterlite Grid 32 Limited	Subsidiary	U40106HR2022PLC103798	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	29 June 2022	1.50
30	Sterlite Grid 33 Limited	Subsidiary	U40101HR2022PLC103895	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	29 June 2022	1.50
31	Sterlite Grid 34 Limited	Subsidiary	U40109HR2022PLC104146	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	29 June 2022	1.50
32	Sterlite Grid 35 Limited	Subsidiary	U40100HR2022PLC103955	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	29 June 2022	1.50
33	Sterlite Grid 36 Limited	Subsidiary	U40108HR2022PLC105281	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	31 August 2022	0.10
34	Sterlite Grid 37 Limited	Subsidiary	U40200HR2022PLC105368	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	31 August 2022	0.10
35	Sterlite Grid 37 Limited	Subsidiary	U40200HR2022PLC105368	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	31 January 2023	0.59
36	Sterlite Grid 38 Limited	Subsidiary	U40106HR2022PLC105370	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	31 August 2022	0.10
37	Sterlite Grid 39 Limited	Subsidiary	U40106HR2022PLC105369	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	31 August 2022	0.10

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(All amounts in ₹ million unless otherwise stated)

S. No.	Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
38	Sterlite Grid 40 Limited	Subsidiary	U40200HR2022PLC105371	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	31 August 2022	0.10
39	Sterlite Brazil Participicoes, S.A., Brazil	Subsidiary	NIRE 33300324780	Avenida Rio Branco 1 12th Floor 1201 Bairro Centro Cep 20090-907 Rio De Janeiro Brazil	Investment in equity	31 March 2023	422.55
40	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Fellow Subsidiary (till 9 March 2023)	U74110HR2014PTC101972	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	183.68
41	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from 10 March 2023)	U74110HR2014PTC101972	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	18 March 2023	200.00
42	Khargone Transmission Limited	Subsidiary (till 1 March 2023)	U40300HR2015PLC104647	5th Floor, JMD Galleria, Sohna Road, Sector-48 Gurgaon-122018, Haryana Gurgaon Gurgaon HR 122018 IN	Loan Given	Various Dates	2.80
43	Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	U40105HR2019GOI113221	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram HR 122008 IN	Loan Given	31 January 2023	107.00

31 March 2022

Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
Sterlite Convergence Limited	Subsidiary	U64100HR2017PLC102280	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	41.70
Sterlite Grid 10 Limited	Subsidiary	U29100HR2017PLC102281	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.79
Sterlite Grid 11 Limited	Subsidiary	U29309HR2017PLC102284	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.80
Sterlite Grid 12 Limited	Subsidiary	U29304HR2017PLC102285	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	1.41
Sterlite Grid 13 Limited	Joint venture	U29309DL2018PLC337962	F-1, The Mira Corporate Suites, Ishawar Nagar, Mathura Road, New Delhi 110065	Investment in non-convertible debentures	Various Dates	957.87
Sterlite Grid 14 Limited	Joint venture	U29300DL2018PLC339426	F-1, The Mira Corporate Suites, Ishawar Nagar, Mathura Road, New Delhi 110065	Investment in equity	Various Dates	0.10
Sterlite Grid 14 Limited	Joint venture	U29300DL2018PLC339426	F-1, The Mira Corporate Suites, Ishawar Nagar, Mathura Road, New Delhi 110065	Investment in non-convertible debentures	Various Dates	435.13

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for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
Sterlite Grid 15 Limited	Subsidiary	U29309HR2018PLC102131	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	1.37
Sterlite Grid 16 Limited	Subsidiary	U29249DN2019PLC005563	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.00
Sterlite Grid 17 Limited	Subsidiary	U29305DN2019PLC005568	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.04
Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in compulsury convertible debentures	Various Dates	50.50
Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in equity	Various Dates	301.38
Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in non-convertible debentures	Various Dates	964.28
Sterlite Grid 19 Limited	Subsidiary	U29307DN2019PLC005566	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.64
Sterlite Grid 20 Limited	Subsidiary	U29309DN2019PLC005567	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.65
Sterlite Grid 21 Limited	Subsidiary	U40108DN2019PLC005569	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.65
Sterlite Grid 22 Limited	Subsidiary	U40100DN2019PLC005572	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.64
Sterlite Grid 23 Limited	Subsidiary	U40106DN2019PLC005574	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.32
Sterlite Grid 26 Limited	Subsidiary	U40108DN2019PLC005577	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	625.63
Sterlite Grid 27 Limited	Subsidiary	U40200DN2019PLC005576	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.61

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
Sterlite Grid 28 Limited	Subsidiary	U40100DN2019PLC005582	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Loan Given	Various Dates	0.01
Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in compulsurly convertible debentures	Various Dates	48.63
Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in equity	Various Dates	706.09
Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Investment in non-convertible debentures	Various Dates	752.06
Sterlite Grid 30 Limited	Subsidiary	U40106HR2017PLC101978	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.08
Sterlite Grid 5 Limited	Subsidiary	U29190PN2016PLC209044	4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1 Pune Pune MH 411001 IN	Loan Given	Various Dates	602.51
Sterlite Grid 6 Limited	Subsidiary	U29309HR2017PLC102137	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	1.40
Sterlite Grid 7 Limited	Subsidiary	U29307HR2017PLC102138	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.83
Sterlite Grid 8 Limited	Subsidiary	U29309HR2017PLC102332	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.81
Sterlite Power Technologies Private Limited	Fellow Subsidiary	U74110HR2014PTC101972	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	35.00
Sterlite Grid 9 Limited	Subsidiary	U29309HR2017PLC101976	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	0.81

(ii) In the current year, the Company has received funds from Sterlite Grid 16 Limited ('Funding party') for investment in joint ventures/subsidiaries ('Intermediary') and further to be invested in the project entities i.e. subsidiary of joint ventures/subsidiary ('Ultimate beneficiary') as follows;

Details of funds received

Sr No.	Name of the funding party	Relationship with funding party	CIN of funding party	Registered address	Nature of funding	Date of receipt	Amount received from funding party (₹ in million)
1.1	Sterlite Grid 16 Limited	Subsidiary	U29249DN2019PLC005563	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Non-Convertible Debentures	31 May 2022	900.00
1.2	Sterlite Grid 16 Limited	Subsidiary	U29249DN2019PLC005563	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Non-Convertible Debentures	31 May 2022	900.00
1.3	Sterlite Grid 16 Limited	Subsidiary	U29249DN2019PLC005563	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230 IN	Non-Convertible Debentures	31 May 2022	700.00

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Details of payments

Sr No.	Name of the Intermediary	Relationship with Intermediary	CIN of the Intermediary	Registered address	Nature of payment	Date of payment	Amount paid to Intermediary (₹ in million)
1.1	Sterlite Grid 18 Limited	Joint Venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in Compulsory Convertible Debentures	8 June 2022	324.70
1.2	Sterlite Grid 18 Limited	Joint Venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in Compulsory Convertible Debentures	24 August 2022	470.00

Details of payments

Sr No.	Name of the Ultimate Beneficiary	Relationship with Ultimate Beneficiary	CIN of the Ultimate Beneficiary	Registered address	Nature of payment	Date of payment	Amount paid to Ultimate Beneficiary (₹ in million)
1.1	Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	U40105DL2019GOI347349	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in equity shares	8 June 2022	293.84
1.2	Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	U40105DL2019GOI347349	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in Compulsory Convertible Debentures	8 June 2022	30.86
1.3	Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	U40105DL2019GOI347349	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in Compulsory Convertible debentures	25 August 2022	470.00

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for the year ended March 31, 2023
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NOTE 59 : ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

The Company has availed borrowings from the banks and financial institutions on the basis of security of current assets.
The Company files the statement of current assets with the bank on periodical basis. Following are the discrepancies between books of accounts and quarterly statements submitted to the lenders, where borrowings have been availed based on security of current assets:

For the year ended March 31, 2023

1. Inventory

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling Items			Amount as per books of accounts	Net difference
			Material in transit (refer note 1)	Contract asset (refer note 2)	"Others (refer note 3)"		
1	Jun-22	4,432.37	122.67	(1,613.37)	-	2,941.67	-
2	Sep-22	5,483.00	206.25	(1,282.71)	-	4,406.54	-
3	Dec-22	5,949.84	97.39	(1,624.07)	0.93	4,424.09	-
4	Mar-23	8,893.06	61.92	(2,448.90)	739.79	7,245.87	-

Note 1 Balances for material in transit were not considered in the quarterly statement submitted to the lenders.

Note 2 Balances for contract asset arising from EPC contracts which forms part of other current assets in the books of accounts were considered in inventory in the quarterly statement submitted to the lenders.

Note 3 Balances for Project Inventory which were at site location for consumption, those were not considered in the quarterly statement submitted to the lenders.

2. Trade payable

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for services and expenses (refer note 1)	Advance to vendor (refer note 2)	Trade payables for material in transit (refer note 3)	Others (refer note 4 & 5)		
1	Jun-22	8,005.25	2,325.89	985.55	122.60	(356.41)	11,082.88	-
2	Sep-22	9,347.39	1,770.38	1,167.16	206.18	(41.26)	12,449.84	-
3	Dec-22	10,793.44	1,900.38	1,397.80	97.32	(149.47)	14,039.48	-
4	Mar-23	14,254.91	1,564.92	1,452.00	588.94	(600.26)	17,260.51	-

Note 1 Balance for payables for service and provision for expenses were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advance given to vendors which forms part of other current assets in the books of accounts were considered in trade payables in the quarterly statement submitted to the lenders.

Note 3 Balance of trade payables for material in transit not considered in the quarterly statement submitted to the lenders.

Note 4 Balance of short term borrowings (vendor bill discounting) which is not included in the trade payable in the quarterly return submitted to the lenders.

Note 5 For March 2023 quarter, statement submitted to lenders does not include balances related to corporate payables, service related payables of product business and interunit eliminations other than mentioned in note 4.

Notes to Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

3. Trade receivables

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items			Amount as per books of accounts	Net difference
			Provision for doubtful debts (refer note 1)	Advance from customers (refer note 2)	Others (refer note 3 &4)		
1	Jun-22	2,362.23	(887.99)	9,513.81	(609.42)	10,378.63	-
2	Sep-22	3,970.32	(800.85)	9,902.95	(570.70)	12,501.72	-
3	Dec-22	4,933.50	(768.01)	9,986.68	(38.97)	14,113.21	-
4	Mar-23	10,244.32	(316.27)	8,278.78	(1,434.59)	16,772.24	-

Note 1 Balance for provision for trade receivables were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advances received from customer and other contract liabilites which forms part of other liabilities in the books of accounts were considered in the quarterly statement submitted to the lenders.

Note 3 Others includes balance of unbilled revenue pertaining to subsidiary or contract asset which forms part of other assets in the books of accounts which were considered in the quarterly statement submitted to the lenders.

Note 4 For March 2023 quarter, statement submitted to lenders does not include provision for doubtful debts of EPC business and interunit eliminations other than mentioned in note 3.

** State Bank of India, Axis Bank, Yes Bank, ICICI Bank, Bank of Maharashtra, IDBI Bank, Bank of Baroda, HDFC Bank, Union Bank of India, Federal Bank, EXIM Bank, IndusInd Bank, Indian Bank are the working capital lenders for Sterlite Power Transmission Limited to which the quarterly stock statements are submitted.*

For the year ended March 31, 2022

The Company has availed borrowings from the banks and financial institutions on the basis of security of current assets.
The Company files the statement of current assets with the bank on periodical basis. Following are the discrepancies between books of accounts and quarterly statements submitted to the lenders, where borrowings have been availed based on security of current assets:

1. Inventory

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling Items			Amount as per books of accounts	Net difference
			Provision for inventory (refer note 1)	Material in transit (refer note 2)	Contract asset (refer note 3)		
1	Jun-21	4,102.05	-	-	(1,212.38)	2,889.67	-
2	Sep-21	3,979.32	(117.40)	-	(1,297.23)	2,564.69	-
3	Dec-21	4,311.53	-	2.41	(1,400.80)	2,913.14	-
4	Mar-22	3,391.74	-	305.09	(1,492.26)	2,204.57	-

Note 1 Balances for provision for inventory were not considered in the quarterly statement submitted to the lenders.

Note 2 Balances for material in transit were not considered in the quarterly statement submitted to the lenders.

Note 3 Balances for contract asset arising from EPC contracts which forms part of other current assets in the books of accounts were considered in inventory in the quarterly statement submitted to the lenders.

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for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

2. Trade payable

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for services and expenses (refer note 1)	Advance to vendor (refer note 2)	Trade payables not backed by letter of credit (refer note 3)	Others (refer note 4)		
1	Jun-21	8,249.92	898.13	852.09	3,366.90	-	13,367.04	-
2	Sep-21	9,828.56	1,164.41	833.98	3,467.43	-	15,294.38	-
3	Dec-21	9,818.01	2,567.43	1,178.89	453.50	(314.80)	13,703.03	-
4	Mar-22	9,663.60	2,960.24	923.61	-	(549.89)	12,997.56	-

Note 1 Balance for payables for service and provision for expenses were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advance given to vendors which forms part of other current assets in the books of accounts were considered in trade payables in the quarterly statement submitted to the lenders.

Note 3 Balance of trade payables not backed by letter of credit were not considered in the quarterly statement submitted to the lenders.

Note 4 Balance of short term borrowings which is included in the trade payable in the quarterly return submitted to the lenders

3. Trade receivables

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for doubtful debts (refer note 1)	Advance from customers (refer note 2)	Trade receivables pertaining to finished goods in transit (refer note 4)	Others (refer note 3)		
1	Jun-21	3,093.62	384.18	5,956.00	-	-	9,433.80	-
2	Sep-21	3,801.15	(610.10)	7,731.96	760.00	-	11,683.01	-
3	Dec-21	6,304.77	(805.19)	8,228.68	-	(2,352.78)	11,375.48	-
4	Mar-22	7,625.43	(841.04)	8,213.97	-	(1,506.86)	13,491.50	-

Note 1 Balance for provision for trade receivables were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advances received from customer which forms part of other liabilities in the books of accounts were considered in the quarterly statement submitted to the lenders.

Note 3 Others includes balance of unbilled revenue pertaining to subsidiary or contract asset which forms part of other assets in the books of accounts which were considered in the quarterly statement submitted to the lenders.

Note 4 Balance of receivables pertaining to the finished goods in transit were considered in the quarterly statement submitted to the lenders.

** State Bank of India, Axis Bank, Yes Bank, ICICI Bank, Corporation Bank, Bank of Maharashtra, IDBI Bank, Bank of Baroda, HDFC Bank, Union Bank of India, Federal Bank, RBL Bank, EXIM Bank, IndusInd Bank are the working capital lenders for Sterlite Power Transmission Limited to which the quarterly stock statements are submitted.*

Notes to Financial Statements

for the year ended March 31, 2023
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NOTE 60 : ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

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

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except that with State Bank of India for working capital facility that has been sanctioned to the Company against which the charge for additional security demanded by the bank has not been perfected before the end of the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) other than as disclosed in note 58(ii) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) other than as disclosed in note 58(i) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(viii) The Company has not revalued its property, plant and equipment, right of use assets and intangible assets during the year ended 31 March 2023.

(ix) The Company has not been declared as a wilful defaulter.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: 11 August 2023

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: 11 August 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: 11 August 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN : ACTPB6336M

Place: Mumbai
Date: 11 August 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN : AHYPK5104G

Place: Mumbai
Date: 11 August 2023

Independent Auditor's Report

To
The Members of
Sterlite Power Transmission Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Sterlite Power Transmission Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), associate and joint ventures comprising of the Consolidated Balance sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss, including other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint ventures as at March 31, 2023, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

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

OTHER INFORMATION

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

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

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

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

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate and joint ventures are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

OTHER MATTER

(a) We did not audit the financial statements and other financial information, in respect of 49 subsidiaries, whose financial statements (without giving effect of elimination of intra-group transactions) include total assets of ₹ 91,799.46 million as at March 31, 2023, and total revenues of ₹ 24,230.09 million and net cash outflows of ₹ 2,880.25 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 0.05 million for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate company and joint ventures companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associate and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

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

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

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures, none of the directors of the Group's companies and joint ventures, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associate and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries, associate and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associate and joint ventures, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate and joint ventures in its consolidated financial statements – Refer Note 44 to the consolidated financial statements;

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 10 and Note 22 to the consolidated financial statements in respect of such items as it relates to the Group and its associate and joint ventures and (b) the Group's share of net profit/loss in respect of its associate and joint ventures;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associate and joint ventures, incorporated in India during the year ended March 31, 2023.

      iv. a) The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of its knowledge and belief, other than as disclosed in the note 62 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associate and joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, associate and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of its knowledge and belief, other than as disclosed in the note 62 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries, associate and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

      v. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

      vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 23105754BGQUPV8709
Place of Signature: Mumbai
Date: 11 August 2023

Annexure 1

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Sterlite Power Transmission Limited (the "Company"), its subsidiaries, associates and joint ventures incorporated in India

Clause (xxi) of the Companies (Auditors Report) Order, 2020:

Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding Company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Mumbai Urja Marg Limited (Formerly known as Vapi-II North Lakhimpur Transmission Limited)	U40100HR2018PLC113474	Subsidiary of a Joint venture	Clause ix(d)
2	Udupi Kasargode Transmission Limited	U40100HR2018GOI113222	Subsidiary of a Joint venture	Clause i(c)

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 23105754BGQUPV8709
Place of Signature: Mumbai
Date: 11 August 2023

Annexure 2

To the Independent Auditor's Report of even date on the Consolidated Financial Statements of Sterlite Power Transmission Limted

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of Sterlite Power Transmission Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Group, and its joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 36 subsidiaries which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

sd/-
per Paul Alvares
Partner
Membership Number: 105754
UDIN: 23105754BGQUPV8709
Place of Signature: Mumbai
Date: 11 August 2023

Consolidated Balance Sheet

as at March 31, 2023

(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Notes	March 31, 2023	March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,445.22	3,330.52
Capital work-in-progress	4	2,860.58	230.77
Intangible assets	5	418.91	362.40
Intangible assets under development	5	-	0.07
Right-of-use assets	3	476.98	615.68
Investment in associates and joint ventures	6	100.82	251.79
Financial assets			
i. Investments	7	8,118.56	5,955.98
ii. Trade receivables	9	-	-
iii. Other financial assets	10	1,412.00	926.40
Income tax assets (net)		611.73	887.52
Deferred tax assets (net)	25	-	175.77
Other non-current assets	11	43,524.79	18,431.30
Total non-current assets		**60,969.59**	**31,168.20**
Current assets			
Inventories	13	6,597.04	2,207.18
Financial assets			
i. Investments	7	805.00	-
ii. Trade receivables	9	15,996.30	13,604.29
iii. Cash and cash equivalents	14	11,576.15	11,475.58
iv. Other bank balances	15	2,802.15	2,024.95
v. Loans	8	-	35.52
vi. Other financial assets	10	1,827.97	1,999.97
Other current assets	11	9,788.56	5,537.53
		49,393.17	**36,885.02**
Assets classified as held for sale	12	-	23,437.85
Total current assets		**49,393.17**	**60,322.87**
TOTAL ASSETS		**1,10,362.76**	**91,491.07**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	244.72	122.36
Other equity			
i. Securities premium	17	4,450.46	4,536.80
ii. Retained earnings	17	11,321.15	8,638.98
iii. Other reserves	17	(1,076.31)	3,607.92
Equity attributable to equity holders of the parent		**14,940.02**	**16,906.06**
Non-controlling interest		152.76	81.53
Total equity		**15,092.78**	**16,987.59**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	35,543.51	15,629.13
ii. Lease liabilities	50	366.04	454.74
iii. Other financial liabilities	22	1,290.69	447.29
Employee benefit obligations	23	55.72	76.10
Deferred tax liabilities (net)	25	1,020.40	543.99
Other non-current liabilities	26	5,244.61	4,973.18
Total non-current liabilities		**43,520.97**	**22,124.43**
Current liabilities			
Financial liabilities			
i. Borrowings	19	10,570.96	5,578.08
ii. Lease liabilities	50	101.04	124.62
iii. Trade payables			
- total outstanding dues of micro enterprises and small enterprises	21	908.41	492.92
- total outstanding dues of creditors other than micro enterprises and small enterprises	21	20,069.76	16,195.32
iv. Other financial liabilities	22	7,040.29	3,057.36
Employee benefit obligations	24	77.64	106.66
Other current liabilities	26	12,150.67	5,798.02
Current tax liabilities (net)		830.24	351.86
		51,749.01	**31,704.84**
Liabilities directly associated with assets classified as held for sale	12	-	20,674.21
Total current liabilities		**51,749.01**	**52,379.05**
Total liabilities		**95,269.98**	**74,503.48**
TOTAL EQUITY AND LIABILITIES		**1,10,362.76**	**91,491.07**
Summary of significant accounting policies	2.3		

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: August 11, 2023

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: August 11, 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: August 11, 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN : ACTPB6336M
Place: Mumbai
Date: August 11, 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN : AHYPK5104G
Place: Mumbai
Date: August 11, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Notes	March 31, 2023	March 31, 2022
INCOME			
Revenue from operations	27	62,970.68	51,974.83
Other income	29	1,550.61	7,970.70
Total income (I)		**64,521.29**	**59,945.53**
EXPENSES			
Cost of raw material and components consumed	30	17,383.57	12,003.35
Construction material and contract expense	31	27,264.53	27,388.71
Purchase of traded goods		676.87	579.31
(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods	32	(1,287.48)	176.84
Employee benefits expense	33	2657.63	2,470.37
Other expenses	34	6,328.89	3,788.66
Total expenses (II)		**53,024.01**	**46,407.24**
Earning before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		**11,497.28**	**13,538.29**
Depreciation and amortisation expense	35	1,058.04	803.56
Finance costs	36	7,255.02	4,256.76
Finance income	28	(1,288.56)	(884.60)
Profit before share of profit of associates and joint ventures and tax expense		**4,472.78**	**9,362.57**
Share of loss of associates and joint ventures	6	**(2,168.87)**	**(2,675.60)**
Exceptional item	37	**-**	**117.00**
Profit before tax		**2,303.91**	**6,569.97**
Tax expense:	25		
Current tax		1,463.64	1,570.18
Deferred tax charge		1,196.92	743.27
Income tax for earlier years		(29.33)	(144.90)
Income tax expense		**2,631.23**	**2,168.55**
Profit/(loss) for the year		**(327.32)**	**4,401.42**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translating the financial statements of foreign operations		78.38	1,040.09
Income tax effect		-	-
		78.38	**1,040.09**
Net movement on effective portion of cash flow hedges		(2,336.61)	4,493.22
Income tax effect		530.74	(307.38)
		(1,805.87)	**4,185.84**
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(1,727.49)	5,225.93
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gain on defined benefit plans		(3.84)	(10.39)
Income tax effect		0.97	2.61
Net loss on FVTOCI equity securities		(12.29)	-
Income tax effect		-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**(15.16)**	**(7.78)**
Other comprehensive income for the year, net of tax		**(1,742.65)**	**5,218.15**
Total comprehensive income for the year, net of tax		**(2,069.97)**	**9,619.57**
Profit/(loss) for the year		**(327.32)**	**4,401.42**
Attributable to:			
Equity holders of the parent		(398.55)	4,401.42
Non-controlling interest		71.23	-
Other comprehensive income for the year, net of tax		**(1,742.65)**	**5,218.15**
Attributable to:			
Equity holders of the parent		(1,742.65)	5,218.15
Non-controlling interest		-	-
Total comprehensive income for the year, net of tax		**(2,069.97)**	**9,619.57**
Attributable to:			
Equity holders of the parent		(2,141.19)	9,619.57
Non-controlling interest		71.23	-
Earnings per equity share [nominal value of ₹ 2 (March 31, 2022: ₹ 2)]	38		
Basic earnings per share		(2.67)	35.97
Diluted earnings per share		(2.67)	35.97
Summary of significant accounting policies	2.3		

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: August 11, 2023

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: August 11, 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: August 11, 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN : ACTPB6336M
Place: Mumbai
Date: August 11, 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN : AHYPK5104G
Place: Mumbai
Date: August 11, 2023

Consolidated Cash Flow Statement

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	March 31, 2023	March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) as per consolidated statement of profit and loss	(327.32)	4,401.42
Adjustment for taxation	2,631.23	2,168.55
Profit before tax	**2,303.91**	**6,569.97**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	1,058.04	803.56
Provision for doubtful debts	-	103.59
Reversal of impairment allowance for trade receivables	(31.74)	-
Loss on sale of property, plant and equipment (net)	5.48	4.48
Gain/(Loss) on sale of stake in subsidiary (loss of control)	-	(94.44)
Indemnifcation expenses incurred under share purchase agreeement	59.56	77.13
Net profit on sale of investments in Indigrid Investment Managers Limited and in units of India Grid Trust	-	(297.50)
Write down related to assets held for sale	-	(422.23)
Share based payment expense	59.06	-
Impairment and expected loss on concession contract assets (including loss for onerous contracts)	898.66	-
Income on investment in India Grid Trust	-	(11.47)
Share in loss of associates and joint ventures	2,168.87	2,675.60
Finance costs	7,255.02	4,256.76
Finance income	(1,288.56)	(884.60)
Net gain on sale of power transmission assets	(1,350.05)	(7,031.95)
Consideration received from India Grid Trust on sale of transmission assets in earlier years	-	(513.65)
	8,834.33	**(1,334.72)**
Operating profit before working capital changes	**11,138.24**	**5,235.25**
Movements in working capital :		
Increase in trade payables	4,134.39	6,599.79
Increase/(decrease) in employee benefits obligation	(53.24)	5.46
Increase in other liabilities	6,550.15	1,675.43
Increase/(decrease) in other financial liabilities	(1977.89)	746.02
Increase in trade receivables	(2,240.06)	(4,539.86)
(Increase)/decrease in inventories	(4,389.86)	880.66
(Increase)/decrease in other financial assets	(25.06)	1,227.29
Increase in other assets	(28,871.07)	(13,327.14)
Change in working capital	**(26,872.64)**	**(6,732.36)**
Cash used in operations	**(15,734.39)**	**(1,497.11)**
Direct taxes paid (net of refunds)	(689.25)	(1,381.35)
Net cash used in operating activities	**(16,423.64)**	**(2,878.46)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including capital work-in-progress and capital advances	(1,992.34)	(6,582.65)
Proceeds from sale of property, plant and equipment	71.22	67.74
Sale of mutual funds	1,401.81	9.07
Purchase of mutual funds	(2,200.00)	-
Consideration paid on acquisition of Sterlite Interlinks Limited	(13.36)	-
Consideration paid on acquisition of Maharashtra Transmission Communication Infrastructure Limited	(100.00)	(200.00)
Proceeds from sale of power transmission assets	3,787.05	6,097.72
Proceeds from sale of units of India Grid Trust	-	283.72
Proceeds from sale of investment in Indigrid Investment Managers Limited	-	359.95
Investment in bank deposits (net)	(1,402.52)	1,747.60
Income on investment in India Grid Trust	-	11.47
Payment for indemnification expenses as per share purchase agreement	(39.43)	(225.16)
Loans given	(624.90)	(35.00)
Loans repaid	4,000.42	302.02

Consolidated Cash Flow Statement

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	March 31, 2023	March 31, 2022
Investment in shares of joint ventures	(162.02)	(1,007.91)
Investment in non-convertible debentures of joint ventures	(836.41)	(2,453.00)
Investment in compulsorily convertible debentures of joint ventures	(919.69)	(99.13)
Proceed from sale of non-convertible debentures of joint ventures	-	1,914.23
Finance income received	523.11	301.24
Net cash flow from investing activities	**1492.94**	**491.91**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of dividend on equity shares	-	(317.97)
Payment of dividend on redeemable preference shares	(13.21)	-
Proceeds of long term borrowings	22,404.63	16,788.29
Repayment of long term borrowings	(1,189.77)	(977.61)
Proceeds/(repayment) of short term borrowings (net)	225.21	(2,015.56)
Repayment of lease liabilities	(149.21)	(86.31)
Finance costs paid	(5,633.23)	(4,603.51)
Net cash flow from financing activities	**15644.42**	**8,787.33**
Net increase in cash and cash equivalents	**713.72**	**6,400.79**
Cash and cash equivalents as at beginning of year	11,475.58	6,711.19
Cash and cash equivalents on dispoal/loss of control of subsidiaries in power transmission and infrastructure business	-	(657.76)
Cash and cash equivalents on conversion of Sterlite Interlinks Limited from associate to subsidiary [refer note 6 (i)]	21.30	-
Cash and cash equivalents on addition of subsidiary (refer note 49)	-	65.71
Decrease of cash and cash equivalents classifed under assets held for sale (refer note 12)	(638.33)	(1,044.40)
Adjustments on account of foreign currency translation	3.88	0.05
Cash and cash equivalents as at year end	**11,576.15**	**11,475.58**

Reconciliation between opening and closing balances for liabilities arising from financing activities

(₹ in million)

Particulars	Long-term borrowings	Short-term borrowings
April 01, 2021	**19,256.28**	**8,504.66**
Cash flow		
- Interest	(2,627.32)	(1,976.19)
- Proceeds/(repayments)	15,810.68	(2,015.56)
Non-cash changes		
- Classified as current maturities	330.91	(330.91)
- Classified as liabilties held for sale	(11,385.09)	(545.68)
- Addition on acquisiton of subsidiary	88.05	-
- Transferred on sale/loss of control of subsidiaries	(8,200.55)	-
- Foreign currency translation	(271.15)	(34.43)
Interest accrual for the year (gross of interest capitalised)	2,627.32	1,976.19
March 31, 2022	**15,629.13**	**5,578.08**
- Interest	(2,731.59)	(2,901.64)
- Proceeds/(repayments)	21,214.86	225.21
Non-cash changes		
- Classified as current maturities	(2,086.07)	2,086.07
- Foreign currency translation	752.14	86.36
- Movement in borrowings classified as liabilities held for sale	33.45	2,595.24
Interest accrual for the year (gross of interest capitalised)	2,731.59	2,901.64
March 31, 2023	**35,543.51**	**10,570.96**

Consolidated Cash Flow Statement

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

Components of cash and cash equivalents:	March 31, 2023	March 31, 2022
Balances with banks:		
On current accounts	2,097.89	10,112.86
Deposit with original maturity of less than 3 months	9,478.23	1,362.69
Cash in hand	0.03	0.03
Total cash and cash equivalents (refer note 14)	**11,576.15**	**11,475.58**

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: August 11, 2023

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: August 11, 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: August 11, 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN : ACTPB6336M
Place: Mumbai
Date: August 11, 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN : AHYPK5104G
Place: Mumbai
Date: August 11, 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	Nos. in million	₹ in million
As at April 01, 2021*	**61.18**	**122.36**
Movement during the year	-	-
As at March 31, 2022*	**61.18**	**122.36**
Increase in equity share capital on account of issue of bonus shares (refer note 16(b))	61.18	122.36
As at March 31, 2023	**122.36**	**244.72**

B. OTHER EQUITY

(₹ in million)

Particulars	Reserves and surplus									Items of other comprehensive income		Total equity
	Securities premium	Retained earnings	Debenture redemption reserve	Legal reserve	Special unearned income reserve	Capital redemption reserve	Capital reserve	FVTOCI reserve	Share based payment reserve	Cash flow hedge reserve	Foreign currency translation reserve	
Balance as at April 01, 2021	**4,536.80**	**4,372.21**	**200.00**	**172.13**	**3,270.44**	**36.02**	**0.35**	-	-	**769.98**	**(2,514.25)**	**10,843.68**
Profit for the year	-	4,401.42	-	-	-	-	-	-	-	-	-	4,401.42
Other comprehensive income	-	(10.39)	-	-	-	-	-		-	2,509.50	1,040.09	3,539.20
Total comprehensive income	-	**4,391.03**	-	-	-	-	-	-	-	**2,509.50**	**1,040.09**	**7,940.62**
Appropriation for dividend paid	-	(324.26)	-	-	-	-	-	-	-	-	-	(324.26)
Reclassified to statement of profit and loss	-	-	-	-	-	-	-	-	-	(1,676.34)	-	(1,676.34)
Transferred to retained earnings	-	200.00	(200.00)	-		-	-	-	-	-	-	-
Balance as at March 31, 2022	**4,536.80**	**8,638.98**	-	**172.13**	**3,270.44**	**36.02**	**0.35**	-	-	**1,603.15**	**(1,474.16)**	**16,783.70**
Profit for the year	-	(398.55)	-	-	-	-	-	-	-	-	-	(398.55)
Other comprehensive income	-	(2.87)	-	-	-	-	-	(12.29)	-	(1,805.86)	78.38	(1,742.64)
Total comprehensive income	-	**(401.42)**	-	-	-	-	-	**(12.29)**	-	**(1,805.86)**	**78.38**	**(2,141.19)**
Appropriation for dividend paid	-	(122.36)	-	-	-	-	-	-	-	-	-	(122.36)
Reclassified to statement of profit and loss	-	-	-	-	-	-	-	-	-	225.06	-	225.06
Impact of acquisition of Sterlite Interlinks Limited	-	13.38	-	-	-	-	-	-	-	-	-	13.38
Amount transferred from legal reserve to retained earnings (refer note 17.4)	-	172.13	-	(172.13)	-	-	-	-	-	-	-	-
Amount transferred from special unearned income reserve to retained earnings (refer note 17.5)	-	3,270.44	-	-	(3,270.44)	-	-	-	-	-	-	-
Options granted during the year (refer note 54)	-	-	-	-	-	-	-	-	59.06	-	-	59.06

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

Particulars	Reserves and surplus									Items of other comprehensive income		Total equity
	Securities premium	Retained earnings	Debenture redemption reserve	Legal reserve	Special unearned income reserve	Capital redemption reserve	Capital reserve	FVTOCI reserve	Share based payment reserve	Cash flow hedge reserve	Foreign currency translation reserve	
Debenture redemeption reserve created during the year (refer note 17.7)	-	(250.00)	250.00	-	-	-	-	-	-	-	-	-
Amount utilised for issuance of bonus shares [refer note 16(b)]	(86.34)	-	-	-	-	(36.02)	-	-	-	-	-	(122.36)
Balance as at March 31, 2023	**4,450.46**	**11,321.15**	**250.00**	**-**	**-**	**-**	**0.35**	**(12.29)**	**59.06**	**22.35**	**(1,395.78)**	**14,695.30**

* There is no change in equity share capital and other equity as at April 01, 2021 and March 31, 2022 due to prior period errors.

Refer note 2.3 for summary of significant accounting policies.

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No.
324982E / E300003

Sd/-
per Paul Alvares
Partner
Membership Number : 105754
Place: Mumbai
Date: August 11, 2023

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

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: August 11, 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: August 11, 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN: ACTPB6336M
Place: Mumbai
Date: August 11, 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN: AHYPK5104G
Place: Mumbai
Date: August 11, 2023

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

1. CORPORATE INFORMATION

Sterlite Power Transmission Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at 4th Floor, Godrej Millennium, Koregaon Park, Pune, Maharashtra, India.

The CIN of the Company is U74120PN2015PLC156643

The Company and its subsidiaries (together referred to as 'the Group') are engaged in the business of Power products and solutions. Power products and solutions mainly include manufacturing of power transmission conductors, optical ground wire cables and power cables. It also includes execution of Engineering, Procurement and Construction Contracts for replacement of power transmission conductors, optical ground wire cables and power cables as a part of master system integration business. The Group also acts as a developer on Build Own Operate & Maintain ("BOOM") basis, for designing, financing, construction and maintenance of power transmission systems for concessional periods ranging from 25 to 35 years. The Group also undertakes the Engineering, Procurement and Construction Contracts for construction of power transmission systems.

The consolidated financial Statements were approved for issue in accordance with resolution passed by the Board of Directors on August 11, 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments;
- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements are presented in Indian Rupees Million, except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS-12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated changes of statement of equity and balance sheet respectively.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained (unless the subsidiary is considered as an asset rather than a business and the investment retained is classified as investment in associate or joint venture in which case the investment retained is carried at cost)
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Group in preparing its consolidated financial statements:

a) Business Combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

The excess of the consideration transferred; amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as an adjustment to the asset acquired. If those amounts are less than the fair value of the net identifiable assets, the difference is recognised recorded as an adjustment to the asset acquired. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is carried at cost at the acquisition date.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for

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non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business Combination under Common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C to Ind AS 103 and are accounted for using the pooling-of-interest method as follows:

- The assets and liabilities of the combining entities are reflected at the carrying amounts recorded in the parent entity's Consolidated Financial Statements with the exception of certain income tax and deferred tax assets.

- No adjustments are made to reflect fair values, or recognize new assets or liabilities. The only adjustments are made to harmonize significant accounting policies.

- The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved, and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

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b) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate or joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or joint venture is initially recognised at cost to the Group. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint ventures), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains resulting from the transactions between the Group and its associate or joint venture, to the extent of Group's interests in the associate or joint venture, are eliminated in the statement of profit and loss from the line item "Share of profit/(loss) of associates and joint ventures" and in the balance sheet against the carrying amounts of the associate or joint venture. Where such unrealised gains, to the extent of Group's interests in the associate or joint venture, exceed the carrying amounts of the associate or joint venture, such excess is presented as deferred income. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture impairment. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence/joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

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c) **Current versus non-current classification**
The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

d) **Foreign currencies**
The Group's consolidated financial statements are presented in INR, which is also the parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

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

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

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

- Exchange differences arising on monetary items that form part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies
On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

e) **Fair value measurement**
The Group measures financial instruments such as mutual funds and derivatives at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

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

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

External valuers are involved for valuation of significant liabilities, such as optionally convertible redeemable preference shares. Involvement of external valuers is decided by the management on a need basis and with relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The management decides after discussion with the external valuers, which valuation techniques and inputs to use for the valuation.

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At each reporting date, the management analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. The valuation results are discussed at the Audit Committee.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates, and assumptions (notes 39 and 57).
- Quantitative disclosures of fair value measurement hierarchy (note 58).
- Investment in Non-Convertible Debentures (note 57).
- Investment in Compulsorily Convertible Debentures (note 57 and 58).
- Investment in mutual funds (note 57 and 58)
- Financial instruments (including thos carried at amortised cost) (note 57)
- Investment in unquoted equity shares (note 57 and 58).

f) **Revenue recognition**

Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer. Amounts disclosed in revenue are net of goods and service tax (GST).

The Disclosure for significant accounting judgements, estimates and assumptions relating to revenue from operations are provided in Note 39.

Sale of power products and traded goods

Revenue from the sale of power products and traded goods are recognised at a point upon delivery of conductor, power cable or traded aluminium ingots and rods and payment is generally due within 30 to 180 days from invoice. Some contracts provide the Group right to receive price variation from customers on account of changes in metal prices.

Power transmission services

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 25/35 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective Central Electricity Regulatory Commission ('CERC') tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

Revenue from Engineering, procurement and construction ('EPC') contracts

In case of revenue from fixed price EPC contracts for power transmission lines and installation of power transmission products, the performance obligation is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the achievement of contractual milestones.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that

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total contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the statement of profit and loss.

Where the profits from the contract cannot be estimated reliably, revenue is recognised equalling to expense incurred to the extent that it is probable that the expense will be recovered.

Revenue from construction of concession assets

The Group constructs transmission infrastructure in Brazil which is used to provide transmission services and operates and maintains that infrastructure for a specified period of time. The infrastructure constructed by the group (i.e. the operator) is not recorded as property, plant and equipment of the group because the concession agreement does not transfer to the concessionaire the right to control the use of public services infrastructure. The group only has the right to operate the infrastructure for the provision of public services on behalf of the Granting Authority, as provided in the contract. Thus, under the terms of the concession agreement, the operator only acts as a service provider. These arrangements are accounted for under Appendix D to Ind AS 115 Service Concession Arrangements. Such arrangements give rise to contract assets till the transmission services are rendered. The contract asset refers to the Group's right to the consideration as a result of the investments made in the construction of transmission line infrastructure.

The Group's performance obligation with respect to construction of service concession assets is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract costs incurred to date bear to the estimated total contract costs. When the Group provides more than one service under a concession agreement, the consideration received is allocated based on the fair values of the services delivered. For the estimate related to the revenue from construction assets, the Group used a model that calculates the cost of financing the customer (in this case, the Concession Grantor). The discount rates represent a market rate that considers the risks and premiums specific to the service concession transmission asset. The discount rates are fixed over the concession period and reflects the price that a customer would have paid for the promised goods or services if the customer had paid cash for those goods or services when (or as) they transfer to the customer.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the statement of profit and loss.

Remuneration of concession assets

Remuneration from service concession arrangement comprise of interest income recognised using the discount rate that reflects the economic volatility on the future cash flows from the service concession infrastructure. The discount rate is represented by a market rate that considers the risks and premiums specific to the service concession transmission asset.

Revenue from indefeasible right-of-use contracts

Indefeasible right-of-use (IRU) contracts represent performance obligation for providing rights to the customers to use the optical ground wire cable/dark fibre telecommunication networks of the Group over a period as determined under the contract. Revenue under IRU contracts are recognised on a straight line basis over the said period.

Revenue from services rendered to joint ventures

Services rendered to joint ventures represent the performance obligation for providing various consultation and agency services in relation to joint venture entities which are satisfied over time.

Rendering of other services

Revenues from services are recognised over the period of the contract as and when services are rendered. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Contract modifications:

Contract modifications are defined as changes in the scope of the work, other than changes envisaged in the original contract, that may result in a change in the revenue associated with that contract. Modifications to approval before billings can be issued and the amounts relating to the additional work can be collected. The Group does not recognise the revenue from such additional work until the customer's approval has been obtained. In cases where the additional work has been approved but the corresponding change in price has

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not been determined, the requirement described below for variable consideration is applied: namely, to recognise revenue for an amount with respect to which it is highly probable that a significant reversal will not occur. The costs associated with these additional units or services performed are recognised when incurred, irrespective of whether or not the modification has been approved.

Variable considerations:
If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Contract balances:
Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

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

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

Project management and Investment management services
Income from project and investment management services is recognised as per the terms of the agreement on the basis of services rendered.

Dividend
Dividend income is recognised in the consolidated statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Interest Income
The Group recognises the interest income based on the rate of interest as mentioned in the loan agreement. The Group annually assess the recoverability of the loan based by reviewing the financial position of the lender and considers the provision on the recoverability based on the such assessment. Interest accrual is considered in the books only if it is considered to be recoverable.

License Fees
Initial license fees is recognised over the period of time for use of infrastructure assets.

g) Government grants
Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and

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the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

h) Taxation
Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

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

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

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Goods and Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and Service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

i) Assets held for sale

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The group treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active program to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet. Refer note 12 for additional disclosures.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

j) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost less accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

(Life in number of years)

Asset Category	Useful Life considered	Useful life (Schedule II#)
Buildings (Factory/Office)**	10/60 Years	30/60 Years
Plant and Machinery	2 - 20 Years*	Continuous process plant- 25 Years Others- 15 Years
Substations	25-35 Years*	40 Years
Furniture and fixtures	3 - 10 Years*	10 Years
Power Transmission Lines	25-35 Years*	40 Years
Data processing equipment	3 - 6 Years*	Service and networks- 6 Years and desktops and laptop etc - 3 Years
Office equipment	2 - 5 Years*	5 Years
Electric fittings	4 - 20 Years*	10 Years
Vehicles	3 - 5 Years*	8 Years
Leasehold improvements	Lease period$	Lease period

**Considered on the basis of management's estimation, supported by technical advice, of the useful lives of the respective assets.*

*** Includes roads for which life considered is 15-25 years.*

 # Residual value considered as 5% on the basis of management's estimation, supported by technical advice.

$ Leasehold improvements are depreciated over the useful life of the asset or the lease period whichever is lower

The Group, based on technical assessments made by technical experts and management estimates, depreciates certain items of, Building, plant and machinery data processing equipment, furniture and fixtures, electrical fittings, office equipment and other telecom networks equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The Group does not have any intangible assets with indefinite useful life.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Software are amortised on a straight-line basis over a period of three to five years.

Right of way is amortised on straight line basis over the period of 28 years (Refer note 5).

l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as lessee

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

i) Right-of-use assets

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

- Land - 13 to 99 years
- Office building – 1 to 5 years
- Vehicles – 3 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and

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amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

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

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

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

n) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, components, stores and spares, packing materials and others: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis except for aluminium wherein the cost is determined on specific identification method based on the costing details of each project.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis except for aluminium conductors wherein the cost is determined on specific identification method based on the costing details of each project.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

o) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely

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independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss, except for assets previously revalued with the revaluation surplus taken to OCI. For such assets, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

p) Provisions

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

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

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

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

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incremental costs and an allocation of costs directly related to contract activities).

q) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group has a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method at Group level.

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

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

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

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

r) Share based payments

The Group issues equity-settled options to certain employees. These are measured at fair value on the date of grant. The fair value determined at the grant date of the equity settled share-based options is expensed over the vesting period, based on the Group's estimate of the shares that will eventually vest.

Fair value is measured using Black-Scholes framework and is recognized as an expense, together with a corresponding increase in equity, over the period in which the options vest using the graded vesting method. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The expected volatility and forfeiture assumptions are based on historical information.

The dilutive effect of outstanding options if any, is reflected as additional share dilution in the computation of diluted earnings per share.

s) Financial instruments

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

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Financial assets

Initial recognition and measurement
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (f) Revenue from contracts with customers.

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

The Group's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

i. Financial assets at amortised cost

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

iii. Financial assets at fair value through profit or loss (FVTPL)

iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost
A 'Financial assets' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to loans, trade and other receivables (refer note 9 and 10)

Financial assets at FVTOCI
A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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

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

In addition, the Group may elect to designate a Financial assets, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

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

- The rights to receive cash flows from the asset have expired, or

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

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The Group follows 'simplified approach' for recognition of impairment loss allowance on:

– Trade receivables or contract revenue receivables; and

– All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instrument.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading

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

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

Financial liabilities at amortised cost (loan and borrowing)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings. For more information refer note 19.

Buyers' Credit/ Suppliers' Credit

The Group enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Group at a later date providing working capital timing benefits. These are normally settled within 12 months to 36 months. Where these arrangements are with a maturity of up to twelve months the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit (under Trade payables). Interest expense on these are recognised under finance cost.

Derecognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management

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determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date.

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

t) **Cash and cash equivalents**
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

u) **Cash dividend distribution to equity holders of the Group**
The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity

v) **Derivative financial instruments and hedge accounting**
Initial recognition and subsequent measurement
The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and commodity future contracts to hedge metal price risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost

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

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The Group has not classified any hedge as Fair Value hedge or hedge of net investment in foreign operation.

Cash flow hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast purchase occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

w) **Earnings per share**
Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

x) **Presentation of EBITDA**
The Group presents Earnings before interest, tax, depreciation and amortisation ('EBITDA') in the statement of profit or loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule III allows companies to present line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the Group's financial position or performance.

Accordingly, the Group has elected to present EBITDA as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance income, finance costs and tax expense.

2.3 New and amended standards
Amendments to Standards effective 1 April 2022

Indian Accounting Standards rules have been amended via notification dated 23 March 2022. The amendments were applicable from 01 April 2022, but did not have a material impact on the financial statements of the Group.

- Amendments to Ind AS 101 – First-time Adoption of Ind AS
- Amendments to Ind AS 103 - Business Combination
- Amendments to Ind AS 109 – Financial Instruments
- Amendments to Ind AS 16 – Property, Plant and Equipment
- Amendments to Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- Amendments to Ind AS 41 - Agriculture

Amendments to Standards effective 1 April 2023
The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023 which are not expected to have material impact on the financial statements of the Group.

- Ind AS 1 – Presentation of Financial Statements

  The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

- Ind AS 12 – Income Taxes

  The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

- Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

  The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Owned assets												Right-of-use assets				Total (A+B)
	Freehold land	Leasehold improvements	Buildings	Transmission lines	Plant and machinery	Data processing equipment	Furniture and fittings	Office equipment	Vehicles	Electrical installations	Sub-station	Sub-total (A)	Land	Office building	Vehicles	Sub-total (B)	
COST																	
As at April 01, 2021	818.64	60.59	1,019.56	4,957.57	3,100.11	137.38	47.51	47.80	26.60	251.29	3,579.25	14,046.30	3.17	239.97	8.41	251.55	14,297.85
Additions	72.66	-	2.68	5,826.34	138.19	28.47	0.32	7.99	-	12.86	1,082.80	7,172.31	-	630.10	-	630.10	7,802.41
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	1.68	-	1.68	1.68
Additions on account of acquisitions (refer note 49)	-	-	-	-	1,436.96	-	-	-	-	-	-	1,436.96	6.68	-	-	6.68	1,443.64
Disposals	-	(36.52)	(36.35)	-	(76.37)	(10.78)	(10.61)	(6.92)	(6.73)	-	-	(184.28)	-	-	(3.91)	(3.91)	(188.19)
Disposals on loss of control of subsidiaries (refer note 61)	(178.25)	-	-	-	-	-	-	-	-	-	-	(178.25)	-	-	-	-	(178.25)
Transfer to held for sale	(154.50)	-	-	(10,783.91)	-	(0.92)	(0.31)	(2.24)	-	-	(4,662.05)	(15,603.93)	-	-	-	-	(15,603.93)
As at March 31, 2022	**558.55**	**24.07**	**985.89**	**-**	**4,598.89**	**154.15**	**36.91**	**46.63**	**19.87**	**264.15**	**-**	**6,689.11**	**9.85**	**871.75**	**4.50**	**886.10**	**7,575.21**
Additions	294.33	-	36.82	-	183.43	8.98	0.76	7.44	4.50	-	-	536.26	6.74	-	-	6.74	543.00
Disposals	(72.66)	-	-	-	(14.40)	(1.63)	(6.36)	(10.33)	(14.61)	(0.01)	-	(120.00)	-	(62.47)	-	(62.47)	(182.47)
Adjustments on account of foreign currency translation	-	-	0.78	-	-	0.04	0.20	-	-	-	-	1.02	-	(1.46)	-	(1.46)	(0.44)
As at March 31, 2023	**780.22**	**24.07**	**1,023.49**	**-**	**4,767.92**	**161.54**	**31.51**	**43.74**	**9.76**	**264.14**	**-**	**7,106.39**	**16.59**	**807.82**	**4.50**	**828.91**	**7,935.30**
Depreciation /Impairment																	
As at April 01, 2021	-	56.41	393.77	166.04	2,144.80	105.14	39.65	37.79	15.51	137.61	140.78	3,237.50	0.28	176.39	0.84	177.51	3,415.01
Depreciation charge for the year	-	3.52	33.94	212.38	160.28	20.55	2.77	5.63	4.66	15.20	165.10	624.03	0.03	91.57	2.48	94.08	718.11
Additions on account of acquisitions (refer note 49)	-	-	-	-	305.37	-	-	-	-	-	-	305.37	-	-	1.00	1.00	306.37
Disposal	-	(35.86)	(34.59)	-	(21.53)	(10.02)	(9.96)	(6.10)	(4.68)	-	-	(122.74)	-	-	(2.17)	(2.17)	(124.91)
Transferred to assets held for sale	-	-	-	(378.42)	-	(0.05)	(0.10)	(1.12)	-	-	(305.88)	(685.57)	-	-	-	-	(685.57)
As at March 31, 2022	**-**	**24.07**	**393.12**	**-**	**2,588.92**	**115.62**	**32.36**	**36.20**	**15.49**	**152.81**	**-**	**3,358.59**	**0.31**	**267.96**	**2.15**	**270.42**	**3,629.01**
Depreciation charge for the year	-	-	77.22	-	216.43	19.11	0.73	5.24	0.52	26.59	-	345.84	0.52	121.66	1.71	123.89	469.73
Disposal	-	-	-	-	(16.42)	(0.44)	(6.05)	(9.06)	(11.32)	(0.01)	-	(43.30)	-	(41.42)	-	(41.42)	(84.72)
Adjustments on account of foreign currency translation	-	-	-	-	-	0.04	-	-	-	-	-	0.04	-	(0.96)	-	(0.96)	(0.92)
As at March 31, 2023	**-**	**24.07**	**470.34**	**-**	**2,788.93**	**134.33**	**27.04**	**32.38**	**4.69**	**179.39**	**-**	**3,661.17**	**0.83**	**347.24**	**3.86**	**351.93**	**4,013.10**
Net book value																	
As at March 31, 2022	**558.55**	**-**	**592.77**	**-**	**2,009.97**	**38.53**	**4.55**	**10.43**	**4.38**	**111.34**	**-**	**3,330.52**	**9.54**	**603.79**	**2.35**	**615.68**	**3,946.20**
As at March 31, 2023	**780.22**	**-**	**553.15**	**-**	**1,978.99**	**27.21**	**4.47**	**11.36**	**5.07**	**84.75**	**-**	**3,445.22**	**15.76**	**460.58**	**0.64**	**476.98**	**3,922.20**

** Amount is less than ₹ 0.01 million.*

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 4: CAPITAL WORK IN PROGRESS*

Particulars	(₹ in million)
As at April 01, 2021	**14,932.90**
Additions	464.92
Disposals on loss of control of subsidiaries (refer note 61)	(7,994.74)
Capitalised during the year	(7,172.31)
As at March 31, 2022	**230.77**
Additions	3,166.07
Capitalised during the year	(536.26)
As at March 31, 2023	**2,860.58**

**Capital work in progress mainly includes expenditure incurred on construction of transmission lines and sub-stations.*

(i) Following is the ageing of capital work in progress:

(₹ in million)

Particulars	Amount in capital work in progress for									
	As at March 31, 2023					As at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,702.97	157.61	-	-	2,860.58	229.87	0.22	0.68	-	230.77
Total	**2,702.97**	**157.61**	**-**	**-**	**2,860.58**	**229.87**	**0.22**	**0.68**	**-**	**230.77**

(ii) Details of capital-work-in progress whose completion is overdue as compared to its original plan as at reporting dates:

Particulars	To be completed in							
	As at March 31, 2023				As at March 31, 2022			
	Less than 1 year	1-2 years	2-3 years	Total	Less than 1 year	1-2 years	2-3 years	Total
Transmission project undertaken by Nangalbibra-Bongaigaon Transmission Limited	2,472.92	-	-	2,472.92	-	-	-	-
Total	**2,472.92**	**-**	**-**	**2,472.92**	**-**	**-**	**-**	**-**

(iii) The Group does not have any project under capital work-in-progress as at reporting dates whose costs has exceeded as compared to its original plan.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 5: INTANGIBLE ASSETS

(₹ in million)

Particulars	Software/ Licenses	Right of way	Total
Cost			
As at April 01, 2021	346.79	291.08	637.87
Additions	12.85	-	12.85
Additions on account acquisitions (refer note 49)	-	51.00	51.00
Adjustment^	-	(35.63)	(35.63)
As at March 31, 2022	**359.64**	**306.45**	**666.09**
Additions	28.34	100.00	128.34
Disposals	(24.41)	-	(24.41)
Adjustments on account of foreign currency translation	0.77	-	0.77
As at March 31, 2023	**364.34**	**406.45**	**770.79**
Amortisation/Impairment			
As at April 01, 2021	178.67	15.41	194.08
Amortisation charge for the year	73.28	12.16	85.44
Additions on account acquisitions (refer note 49)	-	23.60	23.60
Adjustments on account of foreign currency translation	-	0.57	0.57
As at March 31, 2022	**251.95**	**51.74**	**303.69**
Amortisation charge for the year	53.65	18.01	71.66
Disposals	(24.30)	-	(24.30)
Adjustments on account of foreign currency translation	0.83	-	0.83
As at March 31, 2023	**282.13**	**69.75**	**351.88**
Net book value			
As at March 31, 2022	**107.69**	**254.71**	**362.40**
As at March 31, 2023	**82.21**	**336.70**	**418.91**

(i) The Group has undertaken a project awarded by Gurugram Metropolitan Development Authority ("GMDA") to a consortium of which the Group is a party which involves laying of four ducts for creation of Optical Fibre cable backbone network for Gurugram smart city as per the designs approved by GMDA. The entire infrastructure shall be in the ownership of GMDA; Out of the four ducts, the Group will be given right of use of two ducts for monetizing its investments. One duct along with Optical Fibre Cable shall be used solely by GMDA and one duct will be spare and will be in the custody of GMDA, revenue earned out of the said duct shall be shared between GMDA and the consortium. The Group shall also undertake maintenance of the above network infrastructure for a period of 21 years on its own cost.

The consideration for the development of infrastructure for GMDA's use and for the maintenance of the same for 21 years will be in the form of Right of Way ('ROW') for the above project given by GMDA and no cash consideration will be received from GMDA. For the two ducts for which the rights of use/monetisation will be with the Group, there will be no restrictions from GMDA on the customers or the pricing to be charged by the Group. The Group has valued the consideration in the form of ROW at fair value which is included in intangible asset and the intangible assets under development. The Group has also recognised contract liability at present value of future cash flows for its performance obligations related to maintenance of the ducts over the period of 21 years.

(ii) Right of way (ROW) pertains to the right granted by Maharashtra State Electricity Transmission Company Limited (MSETCL) to the Group to establish communication network in the state of Maharashtra in accordance with the terms of the joint venture agreement between the Group and MSETCL ("the agreement"). Pursuant to an addendum to the agreement executed during the year between the Group and MSETCL the validity of the agreement was extended by a period of 6 years and accordingly the useful life of the ROW was revised from 22 years to 28 years during the current year.

^ Adjustment to the cost of intangible assets pertain to those arising on account of final settlement with EPC Contractors/vendors.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Intangible assets under development

Particulars	(₹ in million)
As at April 01, 2021	-
Additions during the year	12.92
Transferred to intangible asset during the year	(12.85)
As at March 31, 2022	**0.07**
Additions during the year	128.27
Transferred to intangible asset during the year	(128.34)
As at March 31, 2023	-

(i) **Following is the ageing of intangible asset under development**

Particulars	Amount in intangible assets under development					
	As at March 31, 2023			As at March 31, 2022		
	Less than 1 year	1-2 years	Total	Less than 1 year	1-2 years	Total
Projects in progress	-	-	-	0.07	-	0.07
Total	-	-	-	**0.07**	-	**0.07**

NOTE 6: INVESTMENT IN ASSOCIATES AND JOINT VENTURES

(₹ in million)

	31 March 2023	31 March 2022
NON-CURRENT		
Investment in equity shares- unquoted (valued at cost) (associate)		
Sterlite Interlinks Limited		
Nil (March 31, 2022: 4,900) equity shares of ₹10 each fully paid up (refer note i below)	-	12.85
Investment in equity shares- unquoted (valued at cost) (joint venture)		
Sterlite Grid 13 Limited (refer note ii below)		
16,510,511 (March 31, 2022: 310,000) equity shares of ₹ 10 each fully paid up	-	-
Sterlite Grid 14 Limited (refer note iii below)		
60,000 (March 31, 2022: 60,000) equity shares of ₹ 10 each fully paid up	-	-
Sterlite Grid 18 Limited (refer note iv below)		
61,861,000 (March 31, 2022: 61,861,000) equity shares of ₹ 10 each fully paid up	-	-
Sterlite Grid 29 Limited (refer note v below)		
39,069,483 (March 31, 2022: 39,069,483) equity shares of ₹ 10 each fully paid up	100.82	238.94
Total	**100.82**	**251.79**

Note i

As at March 31, 2022, the Group had 49% interest in Sterlite Interlinks Limited ('SIL'), which undertakes activities of construction, maintenance of the infrastructure of Dark Fibre through OPGW / Cabling, ROW, Duct Space and towers on lease/ rent out basis. On June 01, 2022 the Group acquired the remaining 51% stake in SIL, pursuant to which SIL became wholly owned subsidiary of the Group. The Group's interest in SIL was accounted for using the equity method in the consolidated financial statements till the acquisition of remaining 51% stake. The table below illustrates the summarised consolidated financial information of the Group's investment in SIL till SIL was the Group's associate.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	As at March 31, 2022
Net assets	
Current assets	136.06
Non-current assets	117.97
Current liabilities	(103.55)
Non-current liabilities	(124.25)
	26.22
Equity investments (unquoted):	
Proportion of the Group's ownership	49.00%
Carrying amount of the investment	12.85
Investment in associate	**12.85**

(₹ in million)

	For the period from April 01, 2022 to May 31, 2022	For the year ended March 31, 2022
Statement of profit and loss		
Revenue from contract with customers	3.46	27.37
Other income	0.14	1.52
Contract expense	-	(0.54)
Other expense	(3.49)	(27.82)
Profit before tax	**0.11**	**0.53**
Income tax	-	-
Profit for the period	**0.11**	**0.53**
Total comprehensive income for the period	**0.11**	**0.53**
Group's share of profit for the period	**0.05**	**0.26**

Following are the net assets which were acquired on acquisition of remaining 51% stake in SIL as at May 31, 2022:

Particulars	(₹ in million)
Non-current assets	
Financial assets	
i. Other financial assets	0.01
Other non-current assets	123.99
	124.00
Current assets	
Financial assets	
i. Inventories	0.09
ii. Trade receivables	2.59
iii. Cash and cash equivalents	21.30
Other current assets	70.74
	94.72
Total assets (A)	**218.72**
Non-current liabilities	
Other liabilities	122.97
	122.97
Current liabilities	
Financial liabilities	
i. Trade payables	20.23
ii. Other financial liabilities	41.59
Other liabilities	7.67
	69.49

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Particulars	(₹ in million)
Total liabilities (B)	**192.46**
Net assets acquired (C=A-B)	**26.26**
Amount already invested for 49% stake (D)	**(12.90)**
Net assets acquired for remaining 51% stake (E)	**13.36**
Consideration paid for remaining 51% stake (F)	**13.36**
Goodwill/(Capital reserve) on acquisition (E-F)	**-**

Note ii

Investment in Sterlite Grid 13 Limited has been classified as investment in joint venture which is engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. The Group's interest in the Sterlite Grid 13 Limited is accounted using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in Sterlite Grid 13 Limited.

(₹ in million)

	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
Net assets		
Current assets	1,955.34	2,645.53
Non-current assets	18,891.28	11,793.30
Current liabilities	(2,953.23)	(3,501.68)
Non-current liabilities	(18,288.94)	(11,230.01)
	(395.55)	**(292.86)**
Equity investments (unquoted):		
Proportion of the Group's ownership	50.00%	50.00%
Carrying amount of the investment	(197.78)	(146.43)
Consolidation adjustment#	(2,629.50)	(1,280.40)
Investment in joint venture*	**(2,827.28)**	**(1,426.83)**
Statement of profit and loss		
Revenue from operations	223.33	-
Other income	5.17	-
Finance cost	(577.33)	(271.11)
Finance income	0.18	0.65
Employee benefits expense	(7.06)	-
Other expense	(14.77)	(10.53)
Depreciation and amortisation expense	(47.56)	-
Loss before tax	**(418.04)**	**(280.99)**
Income tax	(8.66)	(8.07)
Loss for the year	**(426.70)**	**(289.06)**
Total comprehensive income for the year	**(426.70)**	**(289.06)**
Group's share of loss for the year	(213.35)	(144.53)
Consolidation adjustments#	(1,349.09)	(1,280.40)
Net share of loss for the year	**(1,562.44)**	**(1,424.93)**

Note iii

Investment in Sterlite Grid 14 Limited has been classified as investment in joint venture which is engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. Refer note 61. The Group's interest in the Sterlite Grid 14 Limited is accounted using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in Sterlite Grid 14 Limited.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
Net assets		
Current assets	467.52	121.77
Non-current assets	4,502.79	3,576.81
Current liabilities	(506.53)	(750.70)
Non-current liabilities	(4,714.56)	(3,060.59)
	(250.78)	**(112.72)**
Equity investments (unquoted):		
Proportion of the Group's ownership	50.00%	50.00%
Carrying amount of the investment	(125.39)	(56.35)
Consolidation adjustments#	(61.85)	(19.59)
Investment in joint venture*	**(187.24)**	**(75.94)**
Statement of profit and loss		
Revenue from operations	-	-
Other income	2.31	-
Finance cost	(131.08)	(91.46)
Finance income	0.17	0.32
Other expense	(7.43)	(5.31)
Loss before tax	**(136.03)**	**(96.45)**
Income tax	(2.01)	(1.68)
Loss for the year	**(138.04)**	**(98.13)**
Total comprehensive income for the year	**(138.04)**	**(98.13)**
Group's share of loss for the year	(69.02)	(49.06)
Consolidation adjustments#	(42.25)	(47.49)
Net share of loss for the year	**(111.27)**	**(96.55)**

Note iv

Investment in Sterlite Grid 18 Limited has been classified as investment in joint venture which is engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. Refer note 61. The Group's interest in the Sterlite Grid 18 Limited is accounted using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in Sterlite Grid 18 Limited.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
Net assets		
Current assets	439.21	854.79
Non-current assets	22,394.86	17,952.58
Current liabilities	(3,420.71)	(2,024.25)
Non-current liabilities	(20,535.00)	(16,984.74)
	(1,121.64)	**(201.62)**
Equity investments (unquoted):		
Proportion of the Group's ownership	50.00%	50.00%
Carrying amount of the investment	(560.82)	(100.81)
Consolidation adjustments#	(100.50)	(203.69)
Investment in joint venture*	**(661.32)**	**(304.50)**
Statement of profit and loss		
Revenue from operations	-	-
Other income	1.18	-
Finance cost	(728.81)	(483.87)
Finance income	2.55	1.58
Other expense	(69.05)	(21.15)
Depreciation and amortisation expense	(126.28)	-
Loss before tax	**(920.41)**	**(503.44)**
Income tax	(0.08)	(4.21)
Loss for the year	**(920.49)**	**(507.65)**
Total comprehensive income for the year	**(920.49)**	**(507.65)**
Group's share of loss for the year	(460.25)	(253.83)
Consolidation adjustments#	103.19	(594.05)
Net share of loss for the year	**(357.06)**	**(847.88)**

Note v

Investment in Sterlite Grid 29 Limited has been classified as investment in joint venture which is engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. Refer note 61. The Group's interest in the Sterlite Grid 29 Limited is accounted using the equity method in the consolidated financial statements. The table below illustrates the summarised consolidated financial information of the Group's investment in Sterlite Grid 29 Limited.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
Net assets		
Current assets	2,545.28	360.58
Non-current assets	8,087.40	7,002.56
Current liabilities	(860.53)	(635.39)
Non-current liabilities	(9,611.67)	(6,233.59)
	160.48	**494.16**
Equity investments (unquoted):		
Proportion of the Group's ownership	50.00%	50.00%
Carrying amount of the investment	80.24	247.08
Consolidation adjustments#	20.58	(8.14)
Investment in joint venture	**100.82**	**238.94**
Statement of profit and loss		
Revenue from operations	334.57	-
Other income	112.49	-
Finance cost	(623.03)	(279.76)
Finance income	5.45	0.42
Employee benefits expense	(3.64)	-
Other expense	(26.62)	(15.37)
Depreciation and amortisation expense	(99.23)	-
Loss before tax	**(300.01)**	**(294.71)**
Income tax	(33.73)	(2.03)
Loss for the year	**(333.74)**	**(296.74)**
Total comprehensive income for the year	**(333.74)**	**(296.74)**
Group's share of loss for the year	(166.87)	(148.37)
Consolidation adjustments#	28.73	(158.13)
Net share of loss for the year	**(138.14)**	**(306.50)**

**As the share in net assets of the joint ventures is negative, the investment is shown at Nil value. The deficit is shown at liability side under the head 'deferred revenue'.*

#Consolidation adjustments include elimination of gains or losses on transactions between the Group and the joint ventures to the extent related to the Group's interests in the joint ventures.

As on March 31, 2023, the joint ventures have outstanding capital commitment for construction of Transmission lines, net of advances as mentioned below:

Sterlite Grid 13: ₹ 8,840.37 million (March 31, 2022: ₹ 15,010.25 million)

Sterlite Grid 14: ₹ 2,973.27 million (March 31, 2022: ₹ 3,583.32 million)

Sterlite Grid 18: ₹ Nil million (March 31, 2022: ₹ 2,166.13 million)

Sterlite Grid 29: ₹ 5,036.38 million (March 31, 2022: ₹ 5,715.85 million)

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 7: INVESTMENTS

(₹ in million)

	31 March 2023	31 March 2022
NON CURRENT		
Investments in equity shares- unquoted (valued at fair value through other comprehensive income)		
Sharper Shape Group Inc.		
6,62,600 (March 31,2022: 26,504) common stock of USD 0.0004 (March 31, 2022: USD 0.01) each fully paid up ^	100.16	112.45
Investment in non-convertible debentures (unquoted) (valued at amortised cost)##		
Sterlite Grid 13 Limited		
23,03,14,139 (March 31, 2022: 15,15,74,650) 12.30% Non- convertible debentures of face value of ₹ 10 each	2,476.61	1,506.77
Sterlite Grid 14 Limited		
5,64,25,101 (March 31, 2022: 5,14,25,101) 12.30% Non- convertible debentures of face value of ₹ 10 each	578.04	531.52
Sterlite Grid 18 Limited		
20,10,48,052 (March 31, 2022: 20,10,48,052) 12.30% Non- convertible debentures of face value of ₹ 10 each	2,499.58	2,252.29
Sterlite Grid 29 Limited		
13,13,95,681 (March 31, 2022: 13,13,95,681) 12.30% Non- convertible debentures of face value of ₹ 10 each	1,615.44	1,453.82
Investment in compulsorily-convertible debentures (unquoted) (valued at fair value through profit or loss)		
Sterlite Grid 18 Limited		
8,45,20,250 (March 31, 2022: 50,50,250) 0.01% Compulsorily convertible debentures of face value of ₹ 10 each	675.10	50.50
Sterlite Grid 29 Limited		
1,73,62,513 (March 31, 2022: 48,52,613) 0.01% Compulsorily convertible debentures of face value of ₹ 10 each	173.63	48.63
Total	**8,118.56**	**5,955.98**
CURRENT		
Investment in mutual funds - quoted (valued at fair value through profit or loss)		
3,39,250.82 (31 March 2022: Nil units) of Axis Overnight Fund Direct Growth (ONDGG)	402.20	-
3,33,283.31 (31 March 2022: Nil units) of ICICI Prudential P9693 Overnight Fund Direct Plan Growth	402.80	-
Total	**804.99**	**-**
Current (mutual fund units)	**805.00**	**-**
Non-current (equity shares)	**100.16**	**112.45**
Non-current (non-convertible debentures)	**7,169.67**	**5,744.40**
Non-current (Compulsory convertible debentures)	**848.72**	**99.13**
Aggregate value of quoted investments (mutual fund units)	**805.00**	**-**
Aggregate value of unquoted investments (equity shares)	**100.16**	**112.45**
Aggregate value of unquoted investments (non-convertible debentures)	**7,169.67**	**5,744.40**
Aggregate value of unquoted investments (compulsorily convertible debentures)	**848.72**	**99.13**

The Group has subscribed to the non-convertible debentures issued by the joint ventures which are redeemable at premium of 12.30% - 13.70% p.a. payable at the time of redemption.

^ During the year, 1 common stock of Sharper Shape Group Inc. of USD 0.01 each fully paid up has been splitted into 25 common stock of USD 0.0004 each fully paid up.

Investments at fair value through other comprehensive income and fair value through statement of profit and loss reflect investment in quoted mutual fund units, unquoted equity shares and compulsorily convertible debentures. Refer note 57 for determination of their fair values.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 8: LOANS (UNSECURED, CONSIDERED GOOD)

(₹ in million)

	31 March 2023	31 March 2022
Loans to related parties (refer note 59)*	-	35.52
Total	**-**	**35.52**
Current	-	35.52
Non-Current	-	-

** During the current year, the Group has given unsecured loan to Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited) amounting to ₹ 383.68 million (March 31, 2022: 35.52 million) (including accumulated interest accrued) carrying interest at the rate of 11% p.a. and is repayable within 1 year. The loan has been repaid during the year.*

Further, during the current year the Group had given unsecured loan to Serentica Renewables India 3 Private Limited amounting to I 135.00 million (March 31, 2022: Nil) carrying interest at the rate of 13% p.a. for a maximum tenure of 3 years. The loan has been repaid during the current year.

Break up of loans and advances in the nature of loans as at year end:

(₹ in million)

Type of borrower	31 March 2023		31 March 2022	
	Amount of loan and advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans	Amount of loan and advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	-	-	35.52	100%

NOTE 9: TRADE RECEIVABLES

(₹ in million)

	31 March 2023	31 March 2022
(i) Non-current		
Trade receivables	637.72	701.85
Total	**637.72**	**701.85**
Break-up for security details:		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	637.72	701.85
	637.72	701.85
Impairment allowance (allowance for bad and doubtful debts)		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	637.72	701.85
Total non-current trade receivables	**-**	**-**
(ii) Current		
Receivables from related parties (refer note 59)	7,029.85	6,668.30
Other trade receivables	8,966.45	6,935.99
Total	**15,996.30**	**13,604.29**
Break-up for security details:		
- Unsecured, considered good	15,996.30	13,604.29
- Unsecured, credit impaired receivables	-	-
	15,996.30	**13,604.29**
Total current trade receivables	**15,996.30**	**13,604.29**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Ageing of current trade receivables

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						
	Amount not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023							
Undisputed Trade receivables – considered good	11,925.75	3,343.92	319.66	231.48	19.68	155.81	15,996.30
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	0.03	21.49	70.26	36.00	123.00	386.94	637.72
Disputed Trade receivables – I considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**11925.78**	**3,365.41**	**389.92**	**267.48**	**142.68**	**542.75**	**16,634.02**
As at March 31, 2022							
Undisputed Trade receivables – considered good	6,494.37	6,186.08	369.94	234.87	84.43	234.60	13,604.29
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	64.92	9.04	239.05	5.27	383.57	701.85
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**6,494.37**	**6,251.00**	**378.98**	**473.92**	**89.70**	**618.17**	**14,306.14**

There are no outstanding trade or other receivable which are due from directors or other officers of the group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and credit period varies as per the contractual terms with the customers which is generally between 30 - 180 days.

Refer note 55 on credit risk of trade receivables, which explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 10: OTHER FINANCIAL ASSETS

(₹ in million)

	31 March 2023	31 March 2022
Non-current		
Security deposits (unsecured, considered good)	69.65	66.56
Other bank balance*	1,342.35	859.84
Total other non-current financials assets	**1,412.00**	**926.40**

**Represents margin money against various guarantees issued by banks on behalf of the Group, fixed deposits which have been marked under lien to government/local authorities, fixed deposits maintained under debt service reserve account and balances maintained with banks under escrow account.*

	31 March 2023	31 March 2022
Current		
Security deposits (unsecured, considered good)	41.14	41.49
Advances recoverable in cash (unsecured, considered good) (refer note 59)	-	28.40
Unbilled revenue	2.48	4.83
Interest accrued on fixed deposits	76.30	29.06
Receivable from related parties (unsecured, considered good) (refer note 59)	89.54	95.20
Consideration receivable on sale of transmission assets (unsecured, considered good)	1,050.05	1,237.67
Earnest money deposit with customer (unsecured, considered good)	24.53	40.63
Others	4.51	-
	1,288.55	**1,477.28**
Derivative instruments at fair value through OCI		
- Commodity future contracts	539.42	522.69
	539.42	**522.69**
Total other current financial assets	**1,827.97**	**1,999.97**

Security deposits are non-derivative financial assets and are refundable in cash. These are measured based on effective interest method.

Earnest money deposit from customers are non-derivative financial assets and are refundable in cash.

Derivative instruments reflect the change in fair value of commodity futures, designated as cash flow hedges to hedge highly probable forecasts/firm commitments for purchase of aluminium and copper.

Consideration receivable on sale of transmission assets and receivables from related parties are non-derivative financial assets and are recoverable in cash.

NOTE 11: OTHER ASSETS

(₹ in million)

	March 31, 2023	March 31, 2022
Non- current		
Capital advances (unsecured, considered good)	205.16	74.53
Concession contract assets*	36,676.60	14,936.96
Advances to vendors/contractors (unsecured, considered good)#	6,175.46	2,954.95
Balances with government authorities	202.97	335.09
Prepaid expenses	165.73	41.01
Deposit paid under dispute (refer note 44)	98.87	78.14
Others	-	10.62
Total other non-current assets	**43,524.79**	**18,431.30**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	March 31, 2023	March 31, 2022
Current		
Advances to vendors/contractors (unsecured, considered good)#	1,103.16	949.99
Balances with government authorities	2,508.22	1,862.67
Prepaid expenses	316.45	312.60
Contract assets related to EPC contracts	1,598.22	977.84
Concession contract assets*	4,220.91	1,431.38
Advances to employees	40.89	0.77
Others	0.71	2.28
Total other current assets	**9,788.56**	**5,537.53**
**Movement of concession contract assets can be summarized as follows:*		
Opening balance	**16,368.34**	**1,006.15**
Revenue from construction of concession assets	24,328.24	12,182.06
Remuneration of the concession assets	706.51	1,461.93
Assets sold during the year	-	(7.34)
Impact of change in operation and maintenance revenue for concession assets	(782.15)	422.23
Asset held for sale (refer note 12)	-	(1,179.90)
Reversal of asset previously held for sale	-	293.69
Impact of foreign currency conversion	1175.23	2,189.51
	41,796.17	**16,368.34**
Less: Impairment and expected loss on concession contract assets (including loss for onerous contracts)	**(898.66)**	**-**
Closing balance	**40,897.51**	**16,368.34**
Current	**4,220.91**	**1,431.38**
Non-current	**36,676.60**	**14,936.96**

 # Includes advance towards construction of concession assets.

NOTE 12: ASSETS AND LIABILITIES HELD FOR SALE

Ind AS -105 Non Current Assets Held for Sale and Discontinued Operations requires a disposal group to be identified as held for sale if the carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the disposal group must be available for immediate sale in its present condition and the sale must be highly probable. Based on the assessment performed by the management, it has been determined that the disposal groups as above should be disclosed as held for sale under Ind AS. Consequently the assets and liabilities of the disposal groups held for sale have been presented separately from the other assets and other liabilities respectively in the balance sheet.

The Group does not have any asset or liability as held for sale as at March 31, 2023. Following assets and liabilities were classified as held for sale as at March 31, 2022:

As at March 31, 2022:

The Group had entered into a framework agreement dated April 30, 2019 as amended through amendment to the framework agreement dated August 28, 2020, with India Grid Trust pursuant to which the Group shall sale its net assets of Khargone Transmission Limited (referred to as 'Disposal Group I')at values agreed in the framework agreement subject to certain adjustments and the requisite approvals. Since the project was commissioned as at March 31, 2022, it was highly probable that the Group will realise it's value through sale rather than through use. Therefore net assets held in the Khargone Transmission Limited have been classified as held for sale as at March 31, 2022.

Notes to Consolidated Financial Statements

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The Group had entered into a Share Purchase agreement with Vinci Energeia Fundo De Investment EM Participacoes Infrastructura and Cymi Construcoes Participacoes S.A. for selling its stake in Vineyards Participacoes S.A. (referred to as 'Disposal Group II') at values as agreed in the Share Purchase agreement subject the requisite approvals.

(₹ in million)

Particulars	Disposal Group I	Disposal Group II	Total
Assets			
- Non-current assets	-	-	-
- Current assets	15,822.81	7,615.04	23,437.85
Liabilities			
- Non-current liabilities	-	-	-
- Current liabilities	12,025.50	8,648.71	20,674.21

Break up of assets and liabilities of Disposal Group I and Disposal Group II as at March 31, 2022:

(₹ in million)

Particulars	Disposal Group I	Disposal Group II	Total
Assets			
Property, plant and equipment	14,899.94	-	14,899.94
Capital work-in-progress	15.95	-	15.95
Trade receivable	289.78	84.42	374.20
Cash and cash equivalents	203.09	841.31	1,044.40
Bank balances other than cash and cash equivalents	240.55	-	240.55
Concession infrastructure - contract asset	-	6,639.51	6,639.51
Taxes receivable	-	39.84	39.84
Prepaid expenses	-	8.39	8.39
Other financial assets	159.93	-	159.93
Other assets	12.30	-	12.30
Deferred tax assets	-	1.57	1.57
Income tax assets	1.27	-	1.27
Total assets held for sale	**15,822.81**	**7,615.04**	**23,437.85**
Liabilities			
Accounts payable	27.62	146.51	174.13
Borrowings	11,930.77	7,634.18	19,564.95
Other financial liabilities	31.77	1.35	33.12
Others liabilities	12.98	11.42	24.40
Deferred Pis and Cofins taxes	-	611.56	611.56
Deferred tax liabilities	22.36	243.68	266.05
Total liabilities held for sale	**12,025.50**	**8,648.71**	**20,674.21**

NOTE 13: INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in million)

	March 31, 2023	March 31, 2022
Raw materials and components [includes stock in transit ₹ 325.61 million (March 31, 2022: ₹ 51.49 million)]	2,053.91	809.56
Work-in-progress	533.31	340.83
Finished goods [includes stock in transit ₹ 1,056.42 million (March 31, 2022: ₹ 175.38 million)]	1,593.71	497.42
Construction material [includes stock in transit ₹ Nil million (March 31, 2022: ₹ 302.77 million)]	2,146.10	309.98
Traded goods	9.91	11.20
Stores, spares, packing materials and others	260.10	238.19
Total	**6,597.04**	**2,207.18**

Notes to Consolidated Financial Statements
for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 14: CASH AND CASH EQUIVALENTS

(₹ in million)

	March 31, 2023	March 31, 2022
Balances with banks:		
On current accounts	2,097.89	10,112.86
Deposit with original maturity of less than 3 months	9,478.23	1,362.69
Cash in hand	0.03	0.03
Total	**11,576.15**	**11,475.58**

NOTE 15: OTHER BANK BALANCES

(₹ in million)

	March 31, 2023	March 31, 2022
Deposits with original maturity for more than 3 months but less than 12 months	2,757.20	1,437.26
Balances in escrow account	44.95	587.69
Total	**2,802.15**	**2,024.95**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between three months and twelve months, depending on the immediate cash requirements of the group, and earn interest at the respective short-term deposit rates.

NOTE 16: EQUITY SHARE CAPITAL

	Nos. in million	₹ in million
Authorised shares (nos. million)*		
Authorised share capital as on April 01, 2021	6,380.00	12,760.00
Increase in authorised share capital on merger (refer note 61)	0.25	0.50
Authorised share capital as on March 31, 2022	**6,380.25**	**12,760.50**
Increase in authorised share capital	-	-
Authorised share capital as on March 31, 2023	**6,380.25**	**12,760.50**
Authorised shares (nos. million)*		
6,380.25 (March 31, 2022: 6,380.25) equity shares of ₹ 2 each	6,380.25	12,760.50
Issued, subscribed and fully paid-up shares (nos. million)		
122.36 ((March 31, 2022: 61.18) equity shares of ₹ 2 each fully paid - up.	244.72	122.36
Total issued, subscribed and fully paid-up share capital	**244.72**	**122.36**

** Authorised share capital has been disclosed after considering the impact of merger order. (refer note 61(b))*

a. **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	Nos. in million	₹ in million
At April 01, 2021	61.18	122.36
Add: Movement during the year	-	-
At March 31, 2022	**61.18**	**122.36**
Add: Issue of bonus shares during the year	61.18	122.36
At March 31, 2023	**122.36**	**244.72**

b. **Terms/rights attached to equity shares**
The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.

Notes to Consolidated Financial Statements
for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

The Company declares and pays dividends in Indian rupees. The Board of Directors of the Company in its meeting held on 24 March 2023, have considered and declared an Interim Dividend of ₹ 1.00 per share on each fully paid-up equity shares having face value of ₹ 2.00 each, for the financial year 2022-23 (refer note 18).

During the year ended March 31, 2023, pursuant to the approval of Board of directors and the Shareholders of the Company in their meeting held on August 23, 2022 and September 26, 2022 respectively, the Company has issued bonus shares and allotted 61.18 million bonus equity shares of face value of ₹ 2.00 each in ratio of 1:1 (i.e. one equity share for every one equity share already held) to the exisitng shareholder on record date i.e. October 05, 2022.

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

The shareholding information is based on the legal ownership of shares and has been extracted from the record of the Company including register of shareholder/ member.

c. **Shares held by Holding Company and their subsidiaries/associates:**

	31 March 2023		31 March 2022	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	87.34	71.38%	43.67	71.38%
Subsidiary of Volcan Investments Limited, Bahamas				
[Ultimate holding company]				
Vedanta Limited	1.91	1.56%	0.95	1.56%

d. **Detail of shareholders holding more than 5 % of shares in the Company**

	31 March 2023		31 March 2022	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	87.34	71.38%	43.67	71.38%

e. **Detail of shareholding of Promoters**

Promoter name	March 31, 2023				
	No. of equity shares in million at the beginning	Change during the year*	No. of equity shares in million at the end	% of Total shares	% Change during the year
Twin Star Overseas Limited, Mauritius					
Equity shares at ₹ 2 each fully paid up	43.67	43.67	87.34	71.38%	100%
Total	**43.67**	**43.67**	**87.34**	**71.38%**	

Promoter name	March 31, 2022				
	No. of equity shares in million at the beginning	Change during the year*	No. of equity shares in million at the end	% of Total shares	% Change during the year
Twin Star Overseas Limited, Mauritius					
Equity shares at ₹ 2 each fully paid up	43.67	-	43.67	71.38%	-
Total	**43.67**	**-**	**43.67**	**71.38%**	**-**

**Issue of bonus shares during the year.*

The shareholding information is based on the legal ownership of shares and has been extracted from the records of the Company including register of shareholder/members.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 17: OTHER EQUITY

(₹ in million)

	March 31, 2023	March 31, 2022
Securities premium		
Balance as per last financial statements	4,536.80	4,536.80
Add: Amount utilised for issue of bonus shares (refer note 17.1)	(86.34)	-
Closing balance	**4,450.46**	**4,536.80**
Retained earnings		
Balance as per last financial statements	8,638.98	4,372.21
Add: Net profit/(loss) for the year	(398.55)	4,401.42
Add: Remeasurement of post employment benefit obligation, net of tax	(2.87)	(10.39)
Add: Amount transferred from/(to) debenture redemption reserve (refer note 17.7)	(250.00)	200.00
Add: dividend	(122.36)	(324.26)
Add: Amount transferred from legal reserve (refer note 17.4)	172.13	-
Add: Amount transferred from special unearned income reserve (refer note 17.5)	3,270.44	-
Add: Impact of acquisition of Sterlite Interlinks Limited	13.38	-
Closing balance	**11,321.15**	**8,638.98**
Other reserves		
Debenture redemption reserve		
Balance as per last financial statements	-	200.00
Add: Created during the year (refer note 17.7)	250.00	
Add: Amount transferred to retained earnings	-	(200.00)
Closing balance	**250.00**	-
Cash flow hedge reserve		
Balance as per last financial statements	1,603.15	769.98
Add: Cash flow hedge reserve created on hedging contracts, net of taxes	(1,805.86)	2,509.50
Add: Amount reclassified to statement of profit and loss	225.06	(1,676.34)
Closing balance	**22.35**	**1,603.15**
Foreign currency translation reserve		
Balance as per last financial statements	(1,474.16)	(2,514.25)
Add: Movement during the year	78.38	1,040.09
Closing balance	**(1,395.78)**	**(1,474.16)**
Capital redemption reserve		
Balance as per last financial statements	36.02	36.02
Add: Amount utilised for issuance of bonus shares (refer note 17.6)	(36.02)	-
Closing balance	-	**36.02**
Legal reserve		
Balance as per last financial statements	172.13	172.13
Add: Transferred to retained earnings (refer note 17.4)	(172.13)	-
Closing balance	-	**172.13**
FVTOCI reserve		
Balance as per last financial statements	-	-
Add: Change in fair value of investments through other comprehensive income, net of taxes	(12.29)	-
Closing balance	**(12.29)**	-
Special unearned income reserve		
Balance as per last financial statements	3,270.44	3,270.44
Add: Transferred to retained earnings (refer note 17.5)	(3,270.44)	-
Closing balance	-	**3,270.44**
Capital reserve		
Balance as per last financial statements	0.35	0.35
Add: Movement during the year	-	-
Closing balance	**0.35**	**0.35**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	March 31, 2023	March 31, 2022
Share based payment reserve		
Balance as per last financial statements	-	-
Add: Expense recognised during the year (refer note 17.8)	59.06	-
Closing balance	**59.06**	-
Total other reserves	**(1,076.31)**	**3,607.92**
Total other equity	**14,695.30**	**16,783.70**

Nature and purpose of reserves:

17.1 Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013. During the current year, the Company has utilised the amount for issuance of bonus shares pursuant to the approval of Board of directors and the Shareholders of the Group in their meetings held on August 23, 2022 and September 26, 2022 respectively.

17.2 Cash flow hedge reserve

The Group uses hedging instruments as part of its management of foreign currency risk associated with receivable and payable and commodity risk associated with purchase of aluminium and copper. For hedging commodity and foreign currency, the Group uses commodity future and foreign currency forward contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects statement of profit or loss.

17.3 Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

17.4 Legal reserve

Brazilian subsidiaries of the Group recognise 5% of net profit for the year subject to 20% of capital, before any allocation, as legal reserve. The reserve is no longer required and hence, has been transferred to retained earnings during the current year.

17.5 Special unearned income reserve

Special unearned income reserve is created in Brazilian subsidiaries in accordance with laws. The reserve is no longer required and hence, has been transferred to retained earnings during the current year.

17.6 Capital redemption reserve

During the financial year ended March 31, 2021, the Group had redeemed 18 million redeemable preference shares of face value of ₹ 2 each issued to Clix Finance India Private Limited. Accordingly, the Group created capital redemption reserve of ₹ 36 million in compliance of Section 69 of the Companies Act, 2013. During the current year, the Group has utilised the amount for issuance of bonus shares pursuant to the approval of Board of directors and the Shareholders of the Group in their meetings held on August 23, 2022 and September 26, 2022 respectively.

17.7 Debenture Redemption Reserve (DRR)

During the year ended March 31, 2022, Sterlite Grid 4 Limited has been merged with Sterlite Power Transmission Limited (SPTL). The Group had created debenture redemption reserve of ₹ 200.00 million in compliance with section 71(4) of the Companies Act 2013 which had been transferred to retained earnings on redemption of non-convertible debentures.

During the current year, the Group has issued 2,500 non-convertible debentures at face value or ₹ 10,00,000 each. Accordingly, the Group has created debenture redemption reserve of ₹ 250.00 million in compliance with section 71(4) of the Companies Act 2013.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

17.8 Share based payment reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan (refer note 54).

17.9 FVTOCI reserve

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in FVTOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

NOTE 18: DISTRIBUTION MADE AND PROPOSED

(₹ in million)

	March 31, 2023	March 31, 2022
Dividends on equity shares declared and paid:		
Interim dividend for the year ended on March 31, 2023: ₹ 1.00 per share (March 31, 2022: ₹ 5.30 per share)	122.36	324.26
Total	**122.36**	**324.26**

Dividend amounting to ₹ 6.26 million (March 31, 2022: ₹ 6.29 million) is unclaimed and outstanding as on March 31, 2023. (refer note 22)

The Board of Directors of the Company in its meeting held on March 24, 2023, have considered and declared an Interim Dividend of ₹ 1.00 per share on each fully paid-up equity shares having face value of ₹ 2.00 each, for the financial year 2022-23. This dividend is payable as on March 31, 2023 which has been paid subsequently.

NOTE 19: BORROWINGS

(₹ in million)

	March 31, 2023	March 31, 2022
[A] Long-term borrowings		
Non-current		
Non-convertible debentures (secured) (refer note I)	21,063.53	12,652.23
Non-cumulative redeemable preference shares (secured) (refer note V)		
8.81 million (March 31, 2022: 8.81) 15% non-cumulative redeemable preference shares	88.05	88.05
Term loans (refer note II)		
Indian rupee loans from financial institutions (secured)	900.00	987.59
Indian rupee loans from banks (secured)	2,430.00	-
Brazilian real loans from banks (secured)	11,061.93	1,901.26
Total non-current borrowings	**35,543.51**	**15,629.13**
Current maturities		
Non-convertible debentures (secured) (refer note I)	1,939.74	-
Term loans (secured) (refer note I)		
Indian rupee loans from financial institution (secured)	187.50	375.00
Indian rupee loans from financial institution (unsecured)	144.60	-
Brazilian real loans from banks (secured)	189.23	-
Total current maturities	**2,461.07**	**375.00**
Amount disclosed under the head "Short-term borrowings" (note 19 [B])	2,461.07	375.00
Net amount	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Notes:

I. Non-convertible debentures

A) Solaris Transmissão de Energia S.A. (Solaris)

Solaris carried out the first issue of 1,50,000 non-convertible debentures issued at the face value of BRL 1,000 each in December 2021, composed of principal and interest, secured by way of endorsement from Sterlite Brazil Participacoes S.A. These non-convertible debentures are repayble in 44 semi-annual instalments beginning after the end of moratorium period of 25 months beginning from the date of issue of the non-convertible debentures by Solaris. The first instalment is due on February 2024 and the last in February 2045. These non-convertible debentures carry an interest rate of IPCA rate + 6.40% p.a.

B) GBS Participacoes S.A. (Formerly known as Borborema Participacoes S.A.) [GBS]

GBS carried out the first issue of 5,95,500 non-convertible debentures issued at the face value of BRL 1,000 each in March 2022 and the second issue of 4,500 non-convertible debentures issued at the face value of BRL 1,000 each in April 2022, composed of principal and interest, and are secured by way of endorsement from Sterlite Brazil Participacoes S.A. These non-convertible debentures are repayable in 43 Half yearly instalments beginning after the end of the moratorium period of 12 months beginning from the date of the first issue of the non-convertible debentures by GBS. The first instalment is due on March 2023 and the last on September 2043. These non-convertible debentures carry an interest rate of IPCA rate + 7.2731% p.a.

C) Borborema Transmissão de Energia S.A. (Borborema)

Borborema carried out the first issue of 50,000 non-convertible debentures issued at the face value of BRL 1,000 each in November 2021, composed of principal and interest, and are secured by way of endorsement from Sterlite Brazil Participacoes S.A. These non-convertible debentures are repayable in 43 semi-annual instalments beginning after the end of the moratorium period of 28 months, beginning from the date of issue of the non-convertible debentures by Boborema. The first instalment is due on January 2024 and the last on January 2045. These non-convertible debentures carry an interest rate of IPCA rate + 6.10% p.a.

D) Sterlite Brazil Participacoes S.A. (SBP)

SBP carried out the first issue of 4,00,000 non-convertible debentures issued at the face value of BRL 1,000 each in December 2022, composed of principal and interest, and are secured by way of guarantees issued by Sterlite Power Transmission Limited. These non-convertible debentures are repayable in December 2027 and carry an interest rate in the range of CDI + 4.00% p.a. to CDI + 5.50% p.a.

E) Marituba Transmissão de Energia S.A. (Marituba)

Marituba carried out the first issue of 1,50,000 non-convertible debentures issued at the face value of BRL 1,000 each in August 2022, composed of principal and interest, secured by way of endorsement from Sterlite Brazil Participacoes S.A. These non-convertible debentures are repayable in 44 semi-annual instalments with first instalment due on July 2024 and the last in July 2044. These non-convertible debentures carry an interest rate of IPCA rate + 7.242% p.a.

F) Sterlite Grid 16 Limited (SGL16)

During the year, SGL16 carried out issue of 2,500 Non-Convertible Debentures (NCDs) to 360 One Asset Management Limited (formerly known as IIFL Asset Management Limited) at face value of ₹ 1,000,000 each at the interest rate of 13.95% p.a. payable quarterly for a term of 18 months from its allotment date. The NCDs are redeemable at the end of the tenor or can be reedemed in part or full at any time upon demand from the debenture holders. Accordingly, SGL16 has redeemed 750 Non-convertible debentures amounting to ₹ 750.00 million during the year. The NCDs are secured by exclusive charges over monetization/sale/financing, and equity shares, debentures, and preference shares of specified companies owned by Sterlite Power Transmission Limited, corporate guarantees, shortfall undertakings, and charges on loans, cash flows, investments, and movable assets.

II. Term loans

A) Sterlite Power Transmission Limited (SPTL)

i) The Indian rupee loan of ₹ 750.00 million from Arka Fincap Limited carries interest at the rate of 11.25% p.a. payable monthly. The loan amount shall be repayable in four semi-annual instalments from date of disbursement. The loan is secured by:

a) First paripassu charge over all current assets of SPTL, both present and future immovable and movable fixed assets of SPTL

b) Second paripassu charge over all the movable and immovable assets of SPTL

c) Interest service reserve (ISRA) of 1 months to be maintained in the form of FDs charged in favour of lender at all times during the tenor of the facility.

SPTL has complied with the covenants attached to the borrowings.

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ii) The Indian rupee loan of ₹ 190.00 million from Mahindra & Mahindra Financial Services Limited which carries interest at the rate of 10.00% p.a. payable monthly. The loan amount shall be repayable in 12 monthly equal instalments after 3 months of morotorium (where interest is only paid) from the date of disbursement. It is working capital term loan and the same is unsecured.

B) NANGALBIBRA-BONGAIGAON TRANSMISSION LIMITED (NBTL)

(i) Indian rupee term loan from financial institutions of ₹ 2,430 million (March 31, 2022: ₹ 800.00 million) carries interest rate of 9.25 % to 10.95% p.a. (March 31, 2022: 9.25% p.a.) (linked to the lenders prime lending rate – long term with spread). 75.10% of total loan amount is repayable in 75 structured quarterly instalments post one year moratorium period in accordance with repayment schedule starting from March 31, 2025. Balance 24.90% of the total loan amount shall be repayable as a bullet repayment as a last instalment on September 30, 2043. The loan is secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of NBTL in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of NBTL in to and under all clearances pertaining to the project (including transmission license) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of NBTL in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by pledge of 51% of share capital of NBTL held by Sterlite Grid 26 Limited voting rights of which do not fall below 51%.

NBTL is required to ensure compliance of certain financial covenants, after completion of one financial year of full operations of the project, pertaining to maintenance of minimum debt service coverage ratio, debt equity ratio in respect of long term loans obtained from financial institutions. For the year ended March 31, 2023, NBTL is not required to comply with the said covenants.

C) Borborema Transmissão de Energia S.A.

(i) Brazilian real loan from banks includes ₹ 572.90 million taken from Fundo de Desenvolvimento do Nordeste ('FDNE'). The loan is repayable in half yearly instalments with first instalment due in March 2023 and last instalment due in September 2041. The loan is secured by way of endorsement from Sterlite Brazil Participacoes S.A. The loan carries interest in the range of IPCA rate + 1.4541% p.a. to IPCA rate + 1.7772% p.a.

(ii) Brazilian real loan from banks includes ₹ 2,113.77 million as at March 31, 2023, from Banco do Nordeste ('BNB'). The interest rate for borrowing amounting to ₹ 1,915.14 million is based on customised amortisation with interest rate of IPCA + 1.4541% and balance ₹ 295.33 million is based on customised amortisation with interest rate of IPCA + 1.7772%. The loan is secured by way of endorsement from Sterlite Brazil Participacoes S.A. and is repayable in monthly instalments starting from the month of July 2023 and ending in the month of December 2040.

D) Solaris Transmissão de Energia S.A.

Brazilian real loan from bank includes ₹ 2,071.22 million taken from Banco do Nordeste ('BNB'). The loan is repayable in monthly instalments with first instalment due in March 2024 and last instalment due in February 2045. The loan is secured by way of endorsement from Sterlite Brazil Participacoes S.A. The loan carries interest in the range of IPCA rate + 1.7576% p.a. to IPCA rate + 2.1482% p.a.

E) Marituba Transmissão de Energia S.A. (Marituba)

Brazilian real loan from bank includes ₹ 6,396.57 million taken from Banco da Amazônia S.A. ('BASA'). The loan is repayable in monthly instalments with first instalment due in August 2024 and last instalment due in November 2045. The loan is secured by way of endorsement from Sterlite Brazil Participacoes S.A. The loan carries interest at the rate of IPCA + 3.7086% p.a.

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V. Non-cumulative redeemable preference shares of Maharashtra Transmission Communication Infrastructure Limited

(₹ in million)

	March 31, 2023	March 31, 2022
Issued, subscribed and fully paid-up shares (nos. million)		
8.81 (March 31, 2022: 8.81) 15% non-cumulative redeemable preference shares of ₹ 10 each fully paid upa	88.05	88.05
Total issued, subscribed and fully paid-up share capital	**88.05**	**88.05**

Terms/rights attached to preference shares

Maharashtra Transmission Communication Infrastructure Limited ('MTCIL')has issued 8.81 million 15% non- cumulative redeemable preference shares of face value of Rs.10 each to Maharashtra State Electricity Transmission Company Limited (MSETCL). The preference shares are redeemable at the end of 20 years from the date of issue and redeemable at Rs.10 per share. The dividend rights are non- cumulative. The preference shares will carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend and repayment of capital in the event of a liquidation.

[B] Short-term borrowings

(₹ in million)

	March 31, 2023	
	No. in million	% holding
Current maturities of long-term borrowings (refer note 19[A])	2,461.07	375.00
Foreign currency bridge loan from banks (unsecured) (refer note (i) below)	4,607.90	-
Foreign currency bridge loan from banks (secured) (refer note (vi) below)	-	3,251.69
Foreign currency promissory note issued (secured) (refer note (vii) below)	1,298.00	-
Customer bill discounting (secured) (refer note (ii) below)	651.67	-
Vendor bill discounting (secured) (refer note (iii) below)	-	289.24
Vendor bill discounting (unsecured) (refer note (iv) below)	52.32	161.23
Loan from others (unsecured) (refer note (v) below)	1,500.00	1,500.92
Total	**10,570.96**	**5,578.08**

(i) Unsecured foreign currency bridge loans from banks are generally repayable within 2 to 12 months from the date of availing the loan and carry interest in the range of CDI + 2.697% p.a. to CDI + 5.35 % p.a.

(ii) The Group has entered into factoring facility arrangements with banks for trade receivables from Power Grid Corporation India Limited ('PGCIL') with full recourse basis. The factoring facility is generally taken for a period of 90 days and carries interest rate of 7.00% - 8.50% p.a.

(iii) Vendor bill discounting credit arrangements were secured by hypothecation of raw materials, work in progress, finished goods and trade receivables. Vendor bill discounting is generally repaid after a period of 90-120 days and it carries interest rate of Nil (March 31, 2022: 8.55% - 8.60% p.a.).

(iv) Unsecured vendor bill discounting credit arrangements are generally repaid after a period of 90 days and it carries interest rate of 8.15% - 8.30% p.a. (March 31, 2022: 7.00% - 8.50% p.a.).

(v) Loan from others for ₹ 1,500.00 million (March 31, 2022: ₹ 1,500.00 million) include loan from PTC Cables Private Limited with an interest rate of 9.60% - 11.00% p.a. (SBI 1 year MCLR + 250 basis points). However, the Group can repay the partial or full amount to the lender with prior not less than 10 days irrevocable notice or the lender may ask for the repayment by giving 5 business days notice to the Group.

(vi) Secured bridge loan as at March 31, 2022 taken in Brazil from Banco Modal and Banco Alfa investimentos which is secured by pledge of shares/fiduciary rights of Marituba Transmission De Energia S.A. and hypothecation of escrow

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account maintained by the Company in respect of Novo Estado The loan was repayable within a period of 120 to 180 days and carried a rate of interest of CDI + (3.55%-4.50%), to a range between 8%-10%.

(vii) Secured foreign currency promissory notes are issued by São Francisco Transmissão de Energia S.A. ('the issuer') are repayable in the month of September 2023. The promissory notes are secured by way of endorsement of Sterlite Brazil Participacoes S.A, the immediate holding company of the issuer and carry interest at the rate of IPCA + 4.00 % p.a.

NOTE 20: AUTHORISED PREFERENCE SHARE CAPITAL

A **Redeemable preference shares**

The preference shares carried 0.01% non-cumulative dividend. Holders of preference shares had a preferential right to receive their redemption value in precedence to holders' of equity shares in the event at liquidation.

(₹ in million)

	March 31, 2023	March 31, 2022
Authorised shares (nos. million)		
36.40 (March 31, 2022: 36.40) redeemable preference shares of ₹ 2 each	72.80	72.80
Issued, subscribed and fully paid-up shares (nos. million)		
Nil (March 31, 2022: Nil) cumulative redeemable preference shares of ₹ 2 each		
- Nominal Value	-	-
- Securities Premium	-	-

B **Optionally convertible redeemable preference shares**

(₹ in million)

	March 31, 2023	March 31, 2022
Authorised shares (nos. million)		
470.00 (March 31, 2022: 470.00) optionally convertible redeemable preference shares of ₹ 10 each	4,700.00	4,700.00
Issued, subscribed and fully paid-up shares (nos. million)		
Nil (March 31, 2022: Nil) optionally convertible redeemable preference shares of ₹ 10 each		
- Nominal value	-	-
- Securities premium	-	-

NOTE 21: TRADE PAYABLES

(₹ in million)

	March 31, 2023	March 31, 2022
Current		
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	908.41	492.92
- total outstanding dues of creditors other than micro enterprises and small enterprises	20,069.76	16,195.32
Total	**20,978.17**	**16,688.23**
Trade payables to related parties (refer note 59)	53.22	85.60
Operational suppliers credit		
- from related parties (refer note 59)	7,029.32	3,316.99
- from others	192.50	-
Other trade payables	13,703.13	13,285.65
Total	**20,978.17**	**16,688.24**

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(All amounts in ₹ million unless otherwise stated)

Ageing of trade payables

(₹ in million)

Particulars	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Outstanding for following periods from due date of payment						
As at 31 March 2023							
Billed dues							
(i) MSME	553.99	-	187.02	86.15	48.15	33.10	908.41
(ii) Others	12,379.91	2,477.44	4,111.43	1,073.01	10.49	13.76	20,066.04
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	3.72	-	-	3.72
Total	**12,933.90**	**2,477.44**	**4,298.45**	**1,162.88**	**58.64**	**46.86**	**20,978.17**

(₹ in million)

Particulars	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Outstanding for following periods from due date of payment						
As at 31 March 2022							
Billed dues							
(i) MSME	43.32	-	361.45	83.49	-	4.66	492.92
(ii) Others	12339.42	392.28	1,578.94	420.68	856.71	607.29	16,195.32
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**12382.74**	**392.28**	**1,940.39**	**504.17**	**856.71**	**611.95**	**16,688.24**

a) Trade payables are non-interest bearing and are normally settled on 45-180 days terms

b) Operational supplier's credit availed in Indian Rupees from the commodity suppliers at an interest rate of 7.00%-10.65% and is backed by Stand by Letter of Credit issued under working capital facilities sanctioned by domestic banks. Part of these facilities are secured by first pari passu charge over the present and future current assets of Sterlite Power Transmission Limited.

NOTE 22: OTHER FINANCIAL LIABILITIES

(₹ in million)

	March 31, 2023	March 31, 2022
Non-Current		
Purchase consideration payable (refer note 54)	-	130.00
Employee benefit payable	24.55	36.70
Interest accrued and not due on long-term borrowings	1,266.14	271.15
Others	-	9.44
Total non-current financial liabilities	**1,290.69**	**447.29**
Current		
Derivative instruments fair value through OCI#		
Forward contracts	58.09	7.46
	58.09	**7.46**

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(₹ in million)

	March 31, 2023	March 31, 2022
Other financial liabilities at amortised cost		
Interest free deposit from customers	14.61	2.20
Employee benefit payable	476.89	359.27
Interest accrued and not due on short term borrowings	727.82	359.98
Interest accrued and not due on long-term borrowings	261.05	0.17
Earnest money deposit from vendors	5.31	1.00
Dividend payable on non-cumulative redeemable preference shares	11.89	-
Payables for property plant and equipment*	1,887.59	474.34
Deferred revenue^	3,210.10	1,631.80
Purchase consideration payable (refer note 54)	123.34	100.00
Dividend payable (including unclaimed dividend, refer note 18)	128.63	-
Others$	134.97	121.14
Total	**7,040.29**	**3,057.36**

** Payables for purchase of property, plant and equipment are non-interest bearing and are normally settled on 30-120 days terms.*

 # Derivative instruments reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecasts / firm commitments for foreign currency sales and purchases and foreign currency receivables and payables in US Dollars (USD) and Euros (EUR).

Interest free deposits from customer and earnest money deposits to vendor are non interest bearing.

^ Deferred revenue represents unrealised intercompany profit on sales made to joint ventures and associates of the Group.

$ Other current financial liabilities consists of revenue share expenses payable, reimbursements payable, etc.

For explanations on the group's credit risk management processes, refer to note 55.

NOTE 23: NON-CURRENT EMPLOYEE BENEFIT OBLIGATIONS

(₹ in million)

	March 31, 2023	March 31, 2022
Provision for gratuity (refer note 41)	55.72	76.10
Total	**55.72**	**76.10**

NOTE 24: CURRENT EMPLOYEE BENEFIT OBLIGATIONS

(₹ in million)

	March 31, 2023	March 31, 2022
Provision for gratuity (refer note 41)	16.59	24.12
Provision for leave benefit	61.04	82.54
Total	**77.64**	**106.66**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 25: DEFERRED TAX ASSETS / LIABILITIES (NET)

(₹ in million)

		March 31, 2023	March 31, 2022
I.	**Deferred tax liability**		
	Property, plant and equipment: Impact of difference between tax depreciation and depreciation/ amortisation for financial reporting	115.47	35.13
	Fair valuation of land on transition date	38.86	38.86
	Fair Valuation of FVTOCI Investments	-	-
	Cash flow hedge reserve	7.51	538.28
	Timing difference on accounting profit and profit chargeable under income tax for Brazil	878.79	209.80
	Interest accrued on non-convertible debentures	290.85	128.80
	Deferred tax liability created on consolidation adjustment	77.94	355.37
	Others	4.13	47.47
	Gross deferred tax liability	**1,413.55**	**1,353.70**
	Less: Netted off against deferred tax assets	393.15	809.71
	Net deferred tax liability	**1,020.40**	**543.99**
II.	**Deferred tax assets**		
	Property, plant and equipment: Impact of difference between tax depreciation and depreciation/ amortisation for financial reporting	-	511.80
	Unabsorbed tax depreciation and carry forward losses	49.76	-
	Provision for doubtful debts and advances	159.58	149.60
	Capital loss on sale of investment	13.09	13.09
	Expenses disallowed in income tax, allowed as and when incurred	85.43	171.14
	Employee benefit obligations	55.68	65.70
	Others	29.61	74.15
	Gross deferred tax assets	**393.15**	**985.48**
	Less: Netted off against deferred tax liabilities	393.15	809.71
	Net deferred tax asset	**-**	**175.77**

Reconciliation of deferred tax asset/(liability)

(₹ in million)

	March 31, 2023	March 31, 2022
Opening deferred tax asset/(liability), [net]	(368.22)	773.23
Deferred tax charge recorded in statement of profit and loss	(1,196.92)	(743.27)
Net deferred tax credit recorded in OCI not to be reclassified to profit and loss in the subsequent period	0.97	2.61
Deferred tax credit recorded in cash flow hedge reserve	530.74	(307.38)
Deferred tax asset/ (liability) classified as asset held for sale	27.50	(22.36)
Others	(14.47)	(71.05)
Closing deferred tax liability, (net) as at year end	**(1,020.40)**	**(368.22)**

Notes to Consolidated Financial Statements

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The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are:

(₹ in million)

	March 31, 2023	March 31, 2022
Profit or loss section		
Current income tax charges:		
Current income tax	1,463.64	1,570.18
Adjustment of tax relating to earlier periods	(29.33)	(144.90)
Deferred tax		
Relating to origination and reversal of temporary differences	1,196.92	743.27
Income tax expenses reported in the statement of profit or loss	**2,631.23**	**2,168.55**
OCI section		
Deferred tax related to items recognised in OCI during the year:		
Net (gain)/loss on revaluation of cash flow hedges	530.74	(307.38)
Re-measurement loss defined benefit plans	0.97	2.61
Income tax (debited)/credited through OCI	**531.71**	**(304.77)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022:

(₹ in million)

	March 31, 2023	March 31, 2022
Accounting profit before income tax	**2,303.91**	**6,569.97**
At India's statutory income tax rate of 25.17% (March 31, 2022: 25.17%)	579.85	1,653.53
Permanent difference on account expenses disallowed/income exempted	25.99	150.77
Effect of income chargeable at different rate of tax	-	302.02
Deferred tax asset recognised on losses incurred in the earlier years	(21.19)	-
Impact of finance income capitalised in property, plant and equipment in accounting	2.08	-
Difference in income tax rate considered for deferred tax on capital assets	(16.22)	(442.58)
Deferred tax asset derecognised on sale of power transmission assets	238.80	-
Deferred tax asset not recognised on losses/disallowed expenses	1,205.34	36.69
Deferred tax assets written off on lapsed carried forward losses	143.50	-
Difference in rate of tax in Brazil and India	12.67	(59.18)
Impact of share in the profit of loss in associate or joint venture for the year	496.24	673.45
Income tax for earlier year	(29.33)	(144.90)
Others	(6.50)	(1.25)
At the effective income tax rate of 114.21% (March 31, 2022: 33.01%)	**2,631.23**	**2,168.55**
Income tax expense reported in the statement of profit and loss	**2,631.23**	**2,168.55**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 26: OTHER LIABILITIES

(₹ in million)

	March 31, 2023	March 31, 2022
Non-current liabilities		
Advance from customers*	-	2,249.29
Contract liability (refer note 5)	73.15	71.63
PIS and COFINS tax payable	2,260.72	668.83
Unearned revenue	2,910.74	1,983.43
Total	**5,244.61**	**4,973.18**
Current liabilities		
Advance from customers*	7,575.99	3,015.48
Withholding taxes (TDS) payable	142.24	125.25
Contract liabilities for EPC contracts	3,496.36	1,968.04
Goods and service tax payable	67.56	127.63
PIS and COFINS tax payable	258.90	52.24
ICMS tax payable	83.43	87.60
Other statutory dues payable to government authorities in Brazil	39.66	59.54
Unearned revenue	240.44	72.63
Others	246.09	289.61
Total	**12,150.67**	**5,798.02**

**The Group has provided corporate guarantees against the advances received from subsidiaries of joint ventures.*

NOTE 27: REVENUE FROM OPERATIONS

(₹ in million)

	March 31, 2023	March 31, 2022
Revenue from contracts with customers		
Revenue from sale of conductors and power cables	21,900.62	15,470.90
Revenue from engineering, procurement and construction (EPC) contracts	8,089.19	3,247.01
Revenue from engineering, procurement and construction (EPC) contracts with joint ventures (refer note 55)	5,920.45	17,978.93
Revenue from power transmission services	1,726.78	1,345.68
Revenue from construction of concession assets	20,180.74	11,687.25
Remuneration of concession assets	3,166.91	1,365.47
Revenue from operation and maintenance of concession assets	108.18	84.05
Revenue from sale of traded goods	669.74	324.63
Revenue from project consultancy services	-	46.14
Revenue from indefeasible right-to-use (IRU) contracts	435.51	-
Revenue from services rendered to joint ventures (refer note 59)	134.38	237.88
Revenue from network infrastructure	10.35	32.76
Total revenue from contracts with customers	**62,342.85**	**51,820.70**
Other operating revenue		
Scrap sales	183.07	128.45
Management fees (refer note 59)	444.76	25.68
Total revenue from operations	**62,970.68**	**51,974.83**

(a) Performance obligations

Revenue from sale of conductors, power cables and traded goods

The performance obligation is satisfied upon delivery of conductor, power cable or traded aluminium ingots and rods and payment is generally due within 30 to 180 days from delivery. Some contracts provide the Group right to receive price variation from customers on account of changes in metal prices.

Notes to Consolidated Financial Statements

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(All amounts in ₹ million unless otherwise stated)

Revenue from Engineering, Procurement and Construction ('EPC') contracts

The performance obligation is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the contractual terms.

Power transmission services

Power transmission services are rendered to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs. The TSAs are executed for a period of 35 years and have fixed tariff charges as approved by CERC (except some escalable portion and some incentives/penalties relating to transmission assets availabilities). Under the TSAs, the Group's performance obligation is to provide power transmission services. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs failing which could result in certain disincentives/penalties. The performance obligation is satisfied over-time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. The payment is generally due within 30 days upon receipt of monthly invoice by the customer.

The Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the Point of Connection (PoC) mechanism, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility (i.e. Power Grid Corporation of India Limited) from LTTCs are disbursed pro-rata to all Transmission Service Providers from the pool in proportion of the respective billed amount. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures since the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

Construction of concession assets

The Group's performance obligation with respect to construction of service concession assets is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract costs incurred to date bear to the estimated total contract costs. When the Group provides more than one service under a concession agreement, the consideration received is allocated based on the fair values of the services delivered.

Remuneration of concession assets

Remuneration from service concession arrangement comprise of interest income which is recognized at the market interest rate that reflects the economic volatility on the future flow from the service concession infrastructure. The discount rate is represented by a market rate that considers the risks and premiums specific to the service concession transmission asset.

Revenue from services rendered to joint ventures

Services rendered to joint ventures represent the performance obligation for providing various consultation and agency services in relation to joint venture entities which are satisfied over-time.

Project consultancy services

Project consultancy services represent the performance obligation for providing consultation services in relation to designing and testing of conductors and are satisfied over-time. Payment is generally due within 30 days from provision of service.

Revenue from indefeasible right-to-use (IRU) contracts

Indefeasible right-to-use (IRU) contracts represent performance obligation for providing rights to the customers to use the optical ground wire cable/dark fibre telecommunication networks of the Group over a period as determined under the contract. Revenue under IRU contracts are recognised on a straight line basis over the said period.

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for the year ended March 31, 2023
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(b) Disaggregated revenue information

(₹ in million)

		Within India		Outside India	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Power product and solutions				
(i)	Revenue from sale of conductors and power cables recognised at a point in time	10,100.10	4,698.07	11,800.53	10,772.82
(ii)	Revenue from sale of traded goods recognised at a point of time	669.74	324.63	-	-
(iii)	Revenue from engineering, procurement and construction (EPC) contracts recognised over time	8,089.19	3,247.01	-	-
(iv)	Revenue from engineering, procurement and construction (EPC) contracts with joint ventures recognised over time	5,920.45	17,978.93	-	-
(v)	Revenue from project consultancy services recognised over time	-	-	-	46.14
(vi)	Revenue from services rendered to joint ventures recognised over time	134.38	237.88	-	-
	Power transmission grid business				
(i)	Revenue from power transmission services recognised over time	1,726.78	1,345.68	-	-
(ii)	Revenue from construction of concession assets recognised over time	-	-	20,180.74	11,687.25
(iii)	Remuneration of concession assets recognised over time	-	-	3,166.91	1,365.47
(iv)	Revenue from operation and maintenance of concession assets recognised over time	-	-	108.18	84.05
	Others				
(i)	Revenue from IRU contracts recognised over time	435.51	-	-	-
(ii)	Revenue from network infrastructure recognised over time	10.35	32.76	-	-
	Total	**27,086.50**	**27,864.96**	**35,256.36**	**23,955.73**

(c) Assets and liabilities related to contracts with customers

(₹ in million)

	March 31, 2023	March 31, 2022
Balances at the beginning of the year		
Trade receivables	13,604.29	6,230.12
Contract assets*	17,346.18	2,533.12
Contract liabilities (including advances from customers)	7,304.43	4,969.53
Balances at the end of the year		
Trade receivables	15,996.30	13,604.29
Contract assets*	42,495.74	17,346.18
Contract liabilities (including advances from customers)	11,145.50	7,304.43

** Also includes contract assets related to construction of concession assets*

The Group receives payments from customers based on a billing schedule, as established in the contracts. Contract asset relates to the conditional right to consideration for completed performance under the contract. Accounts receivable are recognised when the right to consideration becomes unconditional. Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognised as revenue as (or when) performed under the contract.

Set out below is the amount of revenue recognised from:

(₹ in million)

	March 31, 2023	March 31, 2022
Amounts included in contract liabilities at the beginning of the year	5,252.34	4,969.53

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(d) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in million)

	March 31, 2023	March 31, 2022
Revenue as per contracted price	**62,287.81**	**51,774.61**
Adjustments:		
Incentives earned for higher asset availabilities	52.91	42.35
Surcharges received for late payments	10.26	10.99
Rebates given for early payments	(8.13)	(7.25)
Total revenue from contracts with customers	**62,342.85**	**51,820.70**

(e) Terms of service concession contracts

The Group has subsidiaries in Brazil which construct power transmission assets / facilities under service concession agreements.

Characteristics of service concession arrangement

The Group constructs transmission infrastructure in Brazil and operates and maintains such infrastructure for a specified period of time which are awarded by Brazilian Electricity Regulatory Agency ('ANEEL') through competitive bidding process. The infrastructure constructed by the Group (i.e. the operator) is not recorded as property, plant and equipment of the group because the concession agreement does not transfer to the concessionaire the right to control the use of public services infrastructure. The Group only has the right to operate the infrastructure for the provision of public services on behalf of the Granting Authority, as provided in the contract

Periodic revision to annual permitted revenue ('RAP')

In accordance with the service concession agreement every five years after the date of signing the contracts, Brazilian Electricity Regulatory Agency ('ANEEL') will periodically tariff review of RAP of electricity transmission, in order to promote efficiency and low tariffs.

The periodic rate revision recipe comprises repositioning by determining:

a) the change of third-party capital costs in the concession agreement;

b) receipts from reinforcements and improvements;

c) identifying the amount to be considered as reducing rate - Other Income

Variable consideration

In accordance with the service concession agreement, the Group is liable to pay penalty for unavailability of transmission facilities to the Grantor. Further, the Group is eligible for additional RAP as an incentive for improving the availability of transmission facilities. These variable considerations are recognised as revenue from transmission infrastructure and/or operation & maintenance revenue in the period in which they occur.

Details of revenue from construction of service concession assets and related construction costs:

(₹ in million)

	March 31, 2023	March 31, 2022
Revenue from construction of service concession assets	20,180.74	11,687.25
Cost of construction of service concession assets	18,917.74	11603.65

(f) Remuneration of concession assets

Remuneration from concession assets comprise of interest income which is recognized at the market interest rate that reflects the economic volatility on the future flow from the service concession infrastructure. The discount rate is represented by a market rate that considers the risks and premiums specific to the service concession transmission asset at the time of award of the concession.

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(g) Transaction price allocated to the remaining performance obligations

(₹ in million)

	March 31, 2023	March 31, 2022
Expected to be recognised as revenue over the next one year	47,985.90	37,428.94
Expected to be recognised as revenue beyond next one year	1,62,706.95	56,844.63
Total	**2,10,692.85**	**94,273.57**

NOTE 28: FINANCE INCOME

(₹ in million)

	March 31, 2023	March 31, 2022
Interest income on		
- Bank deposits	530.44	283.07
- Loan to related parties (refer note 59)	718.58	576.35
- Income tax refund	20.95	0.96
Gain on sale of mutual funds	1.86	-
Fair value gain on financial instruments measured at fair value through profit and loss	4.95	-
Others	11.78	24.22
Total	**1,288.56**	**884.60**

NOTE 29: OTHER INCOME

(₹ in million)

	March 31, 2023	March 31, 2022
Net gain on sale of power transmission assets (refer note i and ii below) (refer note 39)	1,350.05	7,031.95
Net gains on sale of investment in an associate and units of India Grid Trust	-	297.50
Claim received from vendor	74.00	-
Reversal of impairment allowance for trade receivables	31.74	-
Income on investment in India Grid Trust	-	11.47
Gain on conversion of subsidiaries in power transmission infrastructure business into joint ventures (refer note 46)	-	94.44
Consideration received from India Grid Trust on sale of investments in earlier years (refer note iii below)	-	513.65
Miscellaneous income	94.82	21.69
Total	**1,550.61**	**7,970.70**

(i) Sale of Khargone Transmission Limited

During the year ended March 31, 2023, the Group entered into share purchase agreement and shareholders' agreement dated January 21, 2023 ("the Agreements") among Khargone Transmission Limited ('KTL' referred as "the SPV"), Sterlite Power Transmission Limited ('SPTL'), Axis Trustee Services Limited (on behalf of and acting in its capacity as trustee to India Grid Trust) and IndiGrid Investments Managers Limited (in its capacity as investment manager of India Grid Trust). Pursuant to the Agreements, the Group transferred 49% of equity in the SPV and for transfer of the remaining 51% equity stake, the Group has received consideration in advance which is non-refundable. The remaining stake will be transferred to the buying shareholder on expiry of the mandatory shareholding period in the SPV. Under the Agreements, the Group had also given the following rights to the buying shareholder:

a. Right to nominate all directors on the board of directors of the SPV;

b. Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meetings of shareholders of the SPV;

c. Irrevocable and unconditional call option to acquire the remaining 51% equity stake in the SPV at later dates.

d. Pledge on the remaining 51% equity stake in the SPV;

e. Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in the SPV.

Notes to Consolidated Financial Statements

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Basis the above rights and the fact that full non-refundable consideration was received in advance by the Group from the buyers, the Group has derecognised its assets in the SPV and recognised a loss of ₹ 224.06 million on sale of the SPV during the year ended March 31, 2023.

(ii) Sale of Vineyards Participicoes S.A.
During the year ended March 31, 2023, the Group sold its equity stake in Vineyards Participicoes S.A. Consequent to this, the Group derecognised the power transmission assets and gain of ₹ 1,638.28 million was recognised in the statement of profit and loss.

(iii) In earlier periods, the Group sold the investment in various subsidiaries to India Grid Trust. During the year ended March 31, 2022, India Grid Trust has paid earn outs related to claim in increase in tariff due to change in law, income tax refund and VAT refund to the Group.

NOTE 30: COST OF RAW MATERIAL AND COMPONENTS CONSUMED

(₹ in million)

	31 March 2023	31 March 2022
Inventory at the beginning of the year	809.56	1,871.70
Add: Purchases during the year	18,627.92	10,941.21
	19,437.48	**12,812.92**
Less: Inventory at the end of the year	2,053.91	809.56
Cost of raw material and components consumed	**17,383.57**	**12,003.35**

NOTE 31: CONSTRUCTION MATERIAL AND CONTRACT EXPENSES

(₹ in million)

	31 March 2023	31 March 2022
Construction material	6,028.96	12,361.41
Cost of construction of service concession assets	18,917.74	11,603.65
Subcontracting charges*	2,317.83	3,423.65
Total	**27,264.53**	**27,388.71**

These charges pertain to services availed in relation to engineering, procurement and construction (EPC) contracts.

NOTE 32: (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

(₹ in million)

	31 March 2023	31 March 2022
Opening inventories:		
Traded goods	11.20	58.21
Work-in-progress	340.83	205.64
Finished goods	497.42	762.44
	849.45	1,026.29
Closing inventories:		
Traded goods	9.91	11.20
Work-in-progress	533.31	340.83
Finished goods	1,593.71	497.42
	2,136.93	849.45
(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods	**(1,287.48)**	**176.84**

Notes to Consolidated Financial Statements

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NOTE 33: EMPLOYEE BENEFITS EXPENSE

(₹ in million)

	31 March 2023	31 March 2022
Salaries, wages and bonus	2,284.79	2,205.70
Contribution to provident, superannuation and other employee welfare funds (refer note 41)	145.79	137.04
Share based payment expense (refer note 54)	59.06	-
Employees stock appreciation rights expense (refer note 47)	-	(16.37)
Gratuity expense (refer note 41)	16.86	24.53
Staff welfare expenses	151.13	119.47
Total	**2,657.63**	**2,470.37**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group is assessing the impact of the Code when it comes into effect and will record any related impact in the year the Code becomes effective.

NOTE 34: OTHER EXPENSES

(₹ in million)

	31 March 2023	31 March 2022
Consumption of stores and spares	138.19	91.27
Power, fuel and water	392.27	309.98
Repairs and maintenance		
- Building	30.36	17.37
- Machinery	206.40	122.54
- Others	3.40	5.78
Service expenses and labour charges	326.53	271.23
Consumption of packing materials	489.87	324.10
Transmission infrastructure maintenance charges	36.94	75.35
Sales commission	143.78	168.53
Carriage outwards	1,325.20	814.27
Rent	142.61	60.29
Insurance	121.50	132.45
Rates and taxes	35.53	151.43
Travelling and conveyance	327.43	198.97
Legal and professional fees	511.28	525.80
Advertisement and business promotion expenses	62.85	33.72
Loss on sale of property, plant & equipment (net)	5.48	4.48
Network maintenance charges	25.03	10.95
Directors sitting fee and commission (refer note 59)	9.89	14.17
Provision for doubtful debts and advances	-	103.59
Reversal of write down related to assets held for sale (refer note 12)	-	(422.23)
Impairment and expected loss on concession contract assets (including loss for onerous contracts) [refer note 11]	898.66	-
Indemnification expenses incurred under share purchase agreement	59.56	77.13
Miscellaneous expenses	1,036.13	697.49
Total	**6,328.89**	**3,788.66**

Other expenses above are net of the amounts capitalised to property, plant and equipment. Refer note 42 for details.

Notes to Consolidated Financial Statements

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NOTE 35: DEPRECIATION AND AMORTISATION EXPENSE

(₹ in million)

	31 March 2023	31 March 2022
Depreciation of property, plant and equipment	862.49	624.03
Depreciation of right-of-use assets	123.89	94.08
Amortisation of intangible assets	71.66	85.45
Total	**1,058.04**	**803.56**

NOTE 36: FINANCE COSTS

(₹ in million)

	31 March 2023	31 March 2022
Interest on financial liabilities measured at amortised cost	5,286.13	3,212.35
Bill discounting and factoring charges	270.74	78.05
Dividend paid on non-cumulative redeemable preference shares	26.41	-
Interest on Lease Liabilities	56.43	19.59
Other interest and bank charges	1,615.31	946.77
Total	**7,255.02**	**4,256.76**

NOTE 37: EXCEPTIONAL ITEM

(₹ in million)

	31 March 2023	31 March 2022
Initial public offer related expenses*	-	117.00
Total	-	**117.00**

During the year ended March 31, 2022, the Group had filed its Draft Red Herring Prospectus with Securities & Exchange Board of India (SEBI) for a proposed Initial Public Offering (IPO) of its equity shares. The Company incurred expenses of ₹ 117.00 million in connection with proposed IPO. Management has informed that the current market conditions are not conducive for listing and hence the same is not pursued. Accordingly, management has charged off expenses incurred on the IPO as non recurring expenses. Considering the nature of the expenses management has disclosed it as an 'exceptional item' for the financial year ended March 31, 2022.

NOTE 38: EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

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

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The following reflects the profit and share data used in the basic and diluted EPS computation:

(₹ in million)

	31 March 2023	31 March 2022
Profit/(loss) for the year	(327.32)	4,401.42
Weighted average number of equity shares in calculating basic EPS (restated on account of issuance of bonus shares, refer note 16)	**122.36**	**122.36**
Effect of dilution:		
Add: Potential shares arising from allotment in accordance with 'Sterlite Power Transmission Limited Restricted Stock Unit Scheme 2022' (refer note 54)	0.24	-
Weighted average number of equity shares in calculating diluted EPS (restated on account of issuance of bonus shares, refer note 16)	**122.60**	**122.36**
Earnings per share (₹) [Nominal value per share: ₹ 2 (March 31, 2022: ₹ 2)]		
Basic earnings per share	(2.67)	35.97*
Diluted earnings per share	# (2.67)	35.97*

 # Since earning per share based on diluted weighted average number of shares is anti dilutive, the basic and dilutive earnings per share for the year ended March 31, 2023 are the same.

** Previous year's earnings per share has been restated on account of bonus shares issued during the current year.*

NOTE 39: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Group's consolidated financial statements:

Applicability of Appendix D to Ind AS 115 - Revenue from Contracts with Customers to transmission projects in India:

The Group through its subsidiaries in India is a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25 years. It has also entered into a Transmission Services Agreements (TSA) with Long Term Transmission Customers (LTTC) in India through a tariff based bidding process and is required to Build, Own, Operate and Maintain (BOOM) the transmission infrastructure for a period of 25/35 years. The management of the Group is of the view that the grantor as defined under Appendix D of Ind AS 115 (Appendix D) requires transmission licensee to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license as well as at the end of the license period. However, in the view of management, the grantor's involvement and approvals are to protect public interest and are not intended to control through ownership, beneficial entitlement or otherwise, any significant residual interest in the transmission infrastructure at the end of the term of the arrangement. Accordingly, management is of the view that Appendix D is not applicable to the Group in respect of the transmission projects undertaken in India under BOOM model.

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.
The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

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Leases - Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. For leases pertaining to vehicles, Group has used implicit rate in agreement and for leases pertaining to office buildings, Group has used incremental borrowing rate (IBR) in absence of implicit rate mentioned in the agreement.

Disposal of NER II Transmission Limited (NER) and Khargone Transmission Limited (KTL):
NER:
The Group entered into a Share purchase agreement dated March 05, 2021, as amended on March 25, 2021 (SPA) and Shareholders' agreement dated March 25, 2021 (SHA) with IndiGrid Investment Managers Limited, being the Investment Manager of India Grid Trust ('IndiGrid') for the sale of NER II Transmission Limited (NER).

Pursuant to the SPA, the Group has sold 49% of the paid-up equity shares of NER on March 24, 2021 for a consideration of ₹ 8,578.70 million. Further, under the SHA, the Group has also transferred control over majority of the Board of Directors of NER to IndiGrid. Also, the Group had received irrevocable advance consideration for further 25% paid up equity shares of NER during the year ended March 31, 2021 and for further 26% paid up equity shares of NER during the year ended March 31, 2022. The Group had transferred such equity shares to an escrow account on an irrevocable basis to be transferred eventually to IndiGrid after the expiry of period for mandatory shareholding by Sterlite Grid 4 Limited in NER as per the relevant Transmission Services Agreement. Under the SHA, the control over the voting power for the 51% equity shares is vested with IndiGrid and it has the right to instruct the Group to vote in accordance with its instructions in respect of the 51% equity shares in NER.

Basis the above, the Group has concluded that it has transferred control over NER to IndiGrid on March 25, 2021.

The Group had recognised a gain of ₹ 7,031.95 million on sale of 26% of the equity share capital of NER during the year ended March 31, 2022.

KTL:
During the year ended March 31, 2023, the Group entered into share purchase agreement and shareholders' agreement dated January 21, 2023 (the Agreements) among Khargone Transmission Limited ('KTL' referred as the SPV), Sterlite Power Transmission Limited ('SPTL'), Axis Trustee Services Limited (on behalf of and acting in its capacity as trustee to India Grid Trust) and IndiGrid Investments Managers Limited (in its capacity as investment manager of India Grid Trust). Pursuant to the Agreements, the Group transferred 49% of equity in the SPV and for transfer of the remaining 51% equity stake, the Group has received consideration in advance which is non-refundable. The remaining stake will be transferred to the buying shareholder on expiry of the mandatory shareholding period in the SPV. Under the Agreements, the Group had also given the following rights to the buying shareholder:

a. Right to nominate all directors on the board of directors of the SPV;
b. Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meetings of shareholders of the SPV;
c. Irrevocable and unconditional call option to acquire the remaining 51% equity stake in the SPV at later dates.
d. Pledge on the remaining 51% equity stake in the SPV;
e. Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in the SPV.

Basis the above rights and the fact that full non-refundable consideration was received in advance by the Group from the buyers, the Group has derecognised its assets in the SPV and recognised a loss of ₹ 224.06 million on sale of the SPV during the year ended March 31, 2023.

During the year ended March 31, 2022, the Group had classified its assets in KTL as 'Asset classified as held for sale' at recoverable value based on the judgement that sale transaction was highly probable.

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

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Estimates used in the application of Appendix D of Ind AS 115 'Service Concession Arrangement' to transmission projects in Brazil
The Group constructs transmission infrastructure in Brazil and operates and maintains such infrastructure for a specified period of time. The infrastructure constructed by the group (i.e. the operator) is not recorded as property, plant and equipment of the group because the concession agreement does not transfer to the concessionaire the right to control the use of public services infrastructure. The Group only has the right to operate the infrastructure for the provision of public services on behalf of the Granting Authority, as provided in the contract. Thus, under the terms of the concession agreement, the operator only acts as a service provider.

The Group records Concession contract assets, as per Ind AS 115– Revenue from Contracts with Customers for Brazilian subsidiaries in the Group's special purpose consolidated financial statements. The contract asset refers to the Group's right to the consideration as a result of the investments made in the construction of transmission line infrastructure. The measurement of contract assets involves significant estimates, such as: (i) the discount rate used, which represents the financing component embedded in the future receivable, (ii) Determination of fair value of consideration for each identified performance obligation and (iii) expected profit margins in each identified performance obligation.

For determination of expected profit margins, the Group estimates the total cost of construction and maintenance of service concession assets at each period end. These estimates are based on the rates agreed with vendors/sub-contractors and management's best estimates of the costs that would be incurred for the construction and maintenance of infrastructure based on past experience and/or industry data. These estimates are re-assessed at each period end. Variations in contract works, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total discounted cost for construction of service concession assets will exceed amount recognised as service concession contract asset, the expected loss is recognised as an expense immediately.

Revenue from contract with customers - EPC contracts
As described in note 2.3, revenue and costs in respect of construction contracts are recognised by reference to stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Group estimates the total cost of the project at each period end. These estimates are based on the rates agreed with vendors/sub-contractors and management's best estimates of the costs that would be incurred for the completion of project based on past experience and/or industry data. These estimates are re-assessed at each period end. Variations in contract works, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract cost will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the transmission assets are based on the fair values less costs of disposal/value in use of the projects. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the Cash generating unit being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

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The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note 41.

Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 57 and 58 for further disclosures.

Provision for expected credit losses of trade receivables and contract assets
The Group performs an impairment analysis at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical observed data for defaults. At every reporting date, the historical observed default rates are updated. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Further, for companies engaged in the power infrastructure business, major receivables are from few customers and is based on point of connection mechanism (refer Note 27), hence the concentration of risk with respect to trade receivables is low.

Assumption used in Restricted Stock Units/Employee Stock Options Plan
The Group measures the cost of equity-settled transactions with employees using Black Scholes model to determine the fair value of options. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions relating to vesting of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 54.

NOTE 40: LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES WHICH ARE INCLUDED IN THE CONSOLIDATION AND THE COMPANY'S EFFECTIVE EQUITY SHAREHOLDINGS THEREIN ARE AS UNDER:

Name of the entity	Effective equity shareholding as on March 31, 2023	Effective equity shareholding as on March 31, 2022	Country of incorporation
List of subsidiaries			
Sterlite Convergence Limited	100.00%	100.00%	India
Sterlite Grid 5 Limited	100.00%	100.00%	India
Sterlite Grid 6 Limited	100.00%	100.00%	India
Sterlite Grid 7 Limited	100.00%	100.00%	India
Sterlite Grid 8 Limited	100.00%	100.00%	India
Sterlite Grid 9 Limited	100.00%	100.00%	India
Sterlite Grid 10 Limited	100.00%	100.00%	India
Sterlite Grid 11 Limited	100.00%	100.00%	India
Sterlite Grid 12 Limited	100.00%	100.00%	India
Sterlite Grid 15 Limited	100.00%	100.00%	India
Sterlite Grid 16 Limited	100.00%	100.00%	India
Sterlite Grid 17 Limited	100.00%	100.00%	India
Sterlite Grid 19 Limited	100.00%	100.00%	India
Sterlite Grid 20 Limited	100.00%	100.00%	India
Sterlite Grid 21 Limited	100.00%	100.00%	India
Sterlite Grid 22 Limited	100.00%	100.00%	India
Sterlite Grid 23 Limited	100.00%	100.00%	India
Sterlite Grid 24 Limited	100.00%	100.00%	India
Sterlite Grid 25 Limited	100.00%	100.00%	India

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Name of the entity	Effective equity shareholding as on March 31, 2023	Effective equity shareholding as on March 31, 2022	Country of incorporation
Sterlite Grid 26 Limited	100.00%	100.00%	India
Sterlite Grid 27 Limited	100.00%	100.00%	India
Sterlite Grid 28 Limited	100.00%	100.00%	India
Sterlite Grid 30 Limited (formerly known as NRSS XXIS JS Transmission limited)	100.00%	100.00%	India
Sterlite Grid 31 Limited *	100.00%	-	India
Sterlite Grid 32 Limited *	100.00%	-	India
Sterlite Grid 33 Limited *	100.00%	-	India
Sterlite Grid 34 Limited *	100.00%	-	India
Sterlite Grid 35 Limited *	100.00%	-	India
Sterlite Grid 36 Limited *	100.00%	-	India
Sterlite Grid 37 Limited *	100.00%	-	India
Sterlite Grid 38 Limited *	100.00%	-	India
Sterlite Grid 39 Limited *	100.00%	-	India
Sterlite Grid 40 Limited *	100.00%	-	India
One Grid Limited	100.00%	100.00%	India
Sterlite EdIndia Foundation	99.95%	99.95%	India
Sterlite Interlinks Limited #	100.00%	-	India
Khargone Transmission Limited **	-	100.00%	India
Nangalbibra-Bongaigaon Transmission Limited	100.00%	100.00%	India
Maharashtra Transmission Communication Infrastructure Limited	64.98%	64.98%	India
Kishtwar Transmission Limited *	100.00%	-	India
Sterlite Brazil Participacoes S.A	100.00%	100.00%	Brazil
GBS Participicoes S.A. Brazil *	100.00%	-	Brazil
Vineyards Participacoes S.A.**	-	100.00%	Brazil
Se Vineyards Power Transmission S.A., Brazil **	-	100.00%	Brazil
Borborema Participacoes S.A.	100.00%	100.00%	Brazil
Borborema Transmissão de Energia S.A.	100.00%	100.00%	Brazil
São Francisco Transmissão de Energia S.A.	100.00%	100.00%	Brazil
Goyas Transmissão de Energia S.A.	100.00%	100.00%	Brazil
Marituba Transmissão de Energia S.A.	100.00%	100.00%	Brazil
Solaris Transmissão de Energia S.A.	100.00%	100.00%	Brazil
Jaçanã Transmissão de Energia S.A (Erstwhile Jaçanã Energia Ltd) *	100.00%	-	Brazil
Olindina Participações S.A. (Erstwhile Jaçanã Transmissão de Energia S.A) *	100.00%	-	Brazil
Tangará Transmissão de Energia S.A. (Erstwhile Cerrado Transmissão de Energia S.A) *	100.00%	-	Brazil
Serra Negra Transmissão de Energia S.A (Erstwhile Veredas Transmissão de Energia S.A *	100.00%	-	Brazil
SF 542 Participações Societárias *	100.00%	-	Brazil
List of associates and joint ventures			
Sterlite Interlinks Limited #	-	49.00%	India
Sterlite Grid 13 Limited (SG13L)	50.00%	50.00%	India
Sterlite Grid 14 Limited (SG14L)	50.00%	50.00%	India
Sterlite Grid 18 Limited (SG18L)	50.00%	50.00%	India
Sterlite Grid 29 Limited (SG29L)	50.00%	50.00%	India
Mumbai Urja Marg Liimited [formorely know as Vapi II-North Lakhimpur Transmission Limited (VNLTL)]	50.00%	50.00%	India
Goa-Tamnar Transmission Project Limited (GTTPL)	50.00%	50.00%	India
Udupi Kasargode Transmission Limited (UKTL)	50.00%	50.00%	India
Lakadia Vadodara Transmission Project Limited (LVTPL)	50.00%	50.00%	India

** Subsidiary incorporated/acquired during the year.*
*** Entity sold during the year.*
 # Entity converted from associate to subsidiary during the year [refer note 6 (i)].

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NOTE 41: EMPLOYEE BENEFIT OBLIGATION

a) **Defined contribution plan**

The Group has recognised the following amounts in the statement of profit and loss on account of defined contribution plan:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Employer's contribution to provident, superannuation and other employee welfare funds	145.79	137.04
Total	**145.79**	**137.04**

b) **Defined benefit plan**

The Group has a defined benefit gratuity plan which in unfunded. Every employee working in the Group gets a gratuity on departure at 15 days salary (last drawn salary) for completed period of service.

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

(₹ in million)

Particulars	31 March 2023	31 March 2022
Defined benefit obligation at the beginning of the year	**113.78**	**100.37**
Interest cost	6.91	5.67
Current service cost	15.28	18.87
Past service cost	(4.38)	-
Liability transferred out/divestments	(2.40)	-
Benefits paid directly by the Group	(18.75)	(22.48)
Actuarial (gain)/loss due to change in financial assumptions	(1.75)	6.77
Actuarial (gain)/loss on obligation due to experience adjustments	1.50	3.55
Actuarial (gain)/loss on obligation due to demographic assumptions	4.81	1.03
Present value of defined benefit obligation at the end of the year	**115.00**	**113.78**

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

(₹ in million)

Particulars	31 March 2023	31 March 2022
Fair value of plan assets at the beginning of the year	15.62	-
Employer's contribution	33.38	24.99
Benefits paid	(7.99)	(10.33)
Return on plan assets	1.67	0.96
Fair value of plan assets at the end of the year	**42.68**	**15.62**

Details of defined benefit obligation

(₹ in million)

Particulars	31 March 2023	31 March 2022
Present value of defined benefit obligation	115.00	113.78
Fair value of plan assets	42.68	15.62
Adjustment on account of merger	-	2.06
Defined benefit liability	**72.32**	**100.22**
Current	**16.59**	**24.12**
Non Current	**55.72**	**76.10**

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Net employee benefit expense recognised in the statement of profit and loss:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Current service cost	15.28	18.87
Past service cost	(4.38)	-
Interest cost on benefit obligation	6.91	5.67
Realised return on plan assets	(0.95)	-
Net benefit expense	**16.86**	**24.54**

Expenses recognised in other comprehensive income (OCI) for current year

(₹ in million)

Particulars	31 March 2023	31 March 2022
Actuarial (gain)/loss on obligation for the year		
- changes in demographic assumption	4.81	1.03
- changes in financial assumption	(1.75)	6.77
- experience variance	1.50	3.55
- Return on plan assets excluding amounts recognised in net interest expense	(0.72)	(0.96)
Net (income)/expense for the year recognized in OCI	**3.84**	**10.39**

Amounts for the current and previous years are as follows:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Defined benefit obligation	115.00	98.16
Plan assets	42.68	-
Deficit	(72.32)	(98.16)
Experience adjustments on plan liabilities	1.50	3.55
Experience adjustments on plan assets	-	-

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2023	31 March 2022
Discount rate	7.35%	6.10%
Expected rate of return on plan asset	NA	NA
Employee turnover	8.00%-23.00%	15.00%-22.62%
Expected rate of salary increase	10%	9%
Actual rate of return on plan assets	NA	NA

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

(₹ in million)

Particulars	31 March 2023	31 March 2022
Projected benefit obligation on current assumptions	115.00	113.78
Delta effect of +1% change in rate of discounting	(7.11)	(5.73)
Delta effect of -1% change in rate of discounting	7.98	5.46
Delta effect of +1% change in rate of salary increase	6.04	4.82
Delta effect of -1% change in rate of salary increase	(5.84)	(5.34)
Delta effect of +1% change in rate of employee turnover	(4.50)	(4.30)
Delta effect of -1% change in rate of employee turnover	7.52	8.32

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Maturity analysis of projected benefit obligation: From the employer (undiscounted basis)

(₹ in million)

Particulars	31 March 2023	31 March 2022
Projected benefits payable in future years from the date of reporting		
Within next 1 year	16.59	24.12
Between 2 to 5 years	54.09	60.31
Between 6 to 10 years	53.31	42.72
Beyond 10 years	82.61	33.70

NOTE 42: CAPITALISATION OF EXPENDITURE

During the year, the Group has capitalised the following expenses to the cost of property, plant and equipment/capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

(₹ in million)

Particulars	31 March 2023	31 March 2022
A. Opening balance of expenditure included in CWIP	**105.05**	**4,773.43**
B. Additions to CWIP during the year		
Finance costs*	197.06	457.45
Professional and consultancy fee	16.23	91.37
Other expenses	10.07	3.66
Total	**223.36**	**552.48**
C. Reduction in CWIP during the year		
Transferred to property, plant and equipment	-	2,905.07
Reduction due to loss of control in subsidiaries	-	2,315.79
	-	**5,220.87**
D. Closing balance of expenditure in CWIP (A+B-C)	**328.41**	**105.05**

** During the year, the Group has capitalised borrowing costs of ₹ 197.06 million (March 31, 2022: ₹ 457.45 million) incurred on the borrowings availed for erection of transmission lines. The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the company's borrowings, in this case 9.25% to 10.95% p.a. (March 31, 2022: 9.25% p.a. to 12.45% p.a.)*

NOTE 43: CAPITAL AND OTHER COMMITMENTS

a) Estimated amount of contracts of the Group remaining to be executed on capital account and not provided for (net of advances) are ₹ 5,534.12 million (March 31, 2022: ₹ 4,491.20 million). In addition, the Group has commitment related to further investment in joint ventures of ₹ 2,279.72 million (March 31, 2022: ₹ 3,248.06 million).

b) Entities in power transmission grid business have entered into transmission service agreements (TSAs) with long term transmission customers pursuant to which these entities have committed to transmit power of contracted capacity and have also committed minimum availability of transmission line over the period of respective TSAs. The TSAs contain provision for disincentives and penalties in case of certain defaults.

c) The Group has entered into service concession agreement in Brazil for construction and maintenance of service concession assets. The Group has commitment towards contracts remaining to be executed for construction of service concession assets and not provided for (net of advances) of ₹ 1,355.82 million (March 31. 2022: ₹ 17,201.72 million).

d) The Group has entered into agreements with the lenders of following joint ventures wherein it has committed to hold, together with AMP Capital Infrastructure Investment No.2 S.A R.L. ('AMP Capital'), directly or indirectly at all times at least 51% of equity share capital of below mentioned joint venture entities and not to sell, transfer, assign, pledge or create any security interest except pledge of shares to the respective lenders as covered in respective agreements with lenders.

1. Goa-Tamnar Transmission Project limited
2. Lakadia-Vadodara Transmission Limited
3. Mumbai Urja Marg Limited (formerly known as Vapi II-North Lakhimpur Transmission Limited)
4. Udupi Kasargode Transmission Limited

e) The Group has provided commitment to fund the cost overruns over and above the estimated project cost or cash deficiency if any to the lenders of the project in subsidiaries to the extent as specified in the agreements executed with the respective lenders.

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NOTE 44: CONTINGENT LIABILITIES

(₹ in million)

Particulars	March 31, 2023	March 31, 2022
1 Disputed liabilities in appeal		
a) Excise duty	73.56	73.56
b) Value Added Tax (VAT) and Central sales tax (refer note i below)	41.71	38.98
c) Income tax	3.91	-
d) Goods and service tax (refer note iii below)	1,827.39	-
2 Bank guarantees given		
- To long term transmission customers on behalf of joint ventures	822.45	2,045.90
- On behalf of India Grid Trust	25.00	25.00
- To India Grid Trust for various claim with respect to sale of investments	1,163.04	1,336.00
3 Corporate guarantees given:		
- Given on behalf of its related party revenue contract executed	188.60	188.60
- To India Grid Trust for clearance of items mentioned in the share purchase agreement with respect to sale of East-North Interconnection Company Limited	350.00	350.00

Further, pursuant to share purchase agreement with India Grid Trust, the Group is to indemnify India Grid Trust for entry tax demand of ₹ 252.78 million (March 31, 2022 ₹ 252.78 million) sales tax demands of ₹ 19.07 million (March 31, 2022: ₹ 9.34 million) and income tax demands of ₹ 27.92 million (March 31, 2022: 27.92 million) in relation to the companies sold to India Grid Trust.

(i) The above Value Added Tax, Central Sales Tax and Entry Tax demand (along with the applicable interest, wherever levied) pertains to the following matters.

(a) Central Sales Tax demand of ₹ Nil (March 31, 2022: ₹ 16.80 million) raised under the Delhi VAT Act, 2004 on account of non-submission of the declaration forms C pending to be received from the customers for the Assessment Year 2014-15.

(b) Value Added Tax, Central Sales Tax and Entry Tax demand of ₹ 14.31 million (March 31, 2022: ₹ 14.31 million) raised under the Madhya Pradesh VAT Act, 2002 on account of non-submission of the declaration forms EI/EII and Form 3 pending to be received / submitted for the Assessment Year 2015-16. The Group has deposited an amount of ₹ 4.77 million (March 31, 2022: ₹ 4.77 million) while preferring the appeal in this matter.

(c) Central Sales Tax demand of ₹ 5.53 million (March 31, 2022: ₹ 5.53 million) raised under the West Bengal VAT Act, 2003 on account of non-submission of the declaration forms C pending to be received / submitted for the Assessment Year 2014-15 and the Group has deposited an amount of ₹ 0.56 million (March 31, 2022: ₹ 0.56 million) while preferring the appeal in this matter.

(d) VAT and CST demand of ₹ Nil (March 31, 2022: ₹ Nil) pertains to Telangana VAT Act, 2003 on account of non- discharge of VAT liability by sub- contractor for the period December 2015 to June 2017. The Group has deposited an amount of ₹ 3.44 million (March 31, 2022: ₹ 3.44 million) while preferring the appeal in this matter.

(e) Central Sales Tax demand of ₹ 1.46 million (March 31, 2022: ₹ 1.46 million) pertains to the demand raised under the Jharkhand VAT Act, 2005 on account of non-submission of the C form and EII forms pending to be received from the suppliers for the Assessment Year 2015-16, Assessment year 2016-17 and Assessment year 2017-18.

(f) Central Sales Tax demand of ₹ 0.88 million (March 31, 2022: ₹ 0.88 million) pertains to the demand raised under the Odisha VAT Act, 2004 on account of non-submission of the E1 declaration forms pending to be received from the suppliers for the Assessment Year 2016-17 and 2017-18. The Group has deposited an amount of ₹ 0.10 million (March 31, 2022: ₹ 0.10 million) while preferring the appeal in this matter.

g) Value Added Tax demand of ₹ 18.79 million (March 31, 2022: ₹ 18.79 million) raised under the Orissa Value Added Tax Act, 2004 on account of non-submission of the C Form pending to be received / submitted for the period October 2015

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to March 2016, April 2016 to June 2016 and April 2014 to September 2015.

The Group is contesting the demand by way of preferring appeals to the higher tax authorities and the management, including its tax advisors, believe that it's position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for the tax demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of the operations.

(ii) During the previous year, one of the MSME vendor had filed arbitration proceedings against the Group which is pending before Delhi International Arbitration Centre ("DIAC"). The Group had filed a writ petition to Hon. Delhi High Court basis which the High Court has ordered DIAC for stay of proceedings. The management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the financial statements.

(iii) During the current year, the Group has received show cause notice from Directorate General of Goods & Service Tax Intelligence, Surat Zonal Unit. The Group has received a demand for erroneous refund in respect of exports made on payment of IGST under Rule 96(10) of the CGST Rules, 2017. The Group has filed writ petition against this demand in Honourable Gujarat High Court and has received stay order against the demand. The Group doesn't expect the claim to succeed and has obtained a legal opinion for the said matter. Accordingly, no provision for contingent liability has been made in the financial statements. Further, management believes that even if the payment of GST is made, the same will be re-credited to the electronic credit ledger (excluding penalty and interest) and the same can be utilised to pay the output GST liability.

NOTE 45: HEDGING ACTIVITIES AND DERIVATIVES

Cash flow hedges

Foreign exchange forward contracts

Foreign exchange forward contracts measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments, majorly for sales and purchases in USD and EUR. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates. The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

Commodity future contracts

Commodity future contracts entered on London Metal Exchange (LME) measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments for purchases of aluminium and copper. The futures contract balances vary with the level of expected quantity of purchases of aluminium and copper. The terms of the future contracts match the terms of the expected highly probable forecast transactions/firm commitments. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

The cash flow hedges during the year were assessed to be highly effective and a net unrealised gain of ₹ 22.34 million (net of deferred tax of ₹ 7.51 million) [March 31, 2022: ₹ 1,603.15 million (net of deferred tax of ₹ 538.28 million)] relating to the hedging instruments, is included in other comprehensive income. The amounts retained in in other comprehensive income as at March 31, 2023 is expected to mature and affect the statement of profit and loss during the year ended March 31, 2024.

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NOTE 46: DERIVATIVE INSTRUMENTS

(a) The following are the outstanding forward exchange contracts entered into by the Group, for hedge purpose, as on March 31, 2023 and March 31, 2022:

Purpose	Foreign currency (In million)	Amount (₹ in million)	Buy/Sell	No. of contracts (Quantity)
March 31, 2023				
Hedge of payables, supplier's credit and highly probable foreign currency purchases	USD 183.26	15,067.06	Buy	258
Hedge of trade receivables, margin money deposits and highly probable sale	USD 125.69	10,333.65	Sell	85
Hedge of payables and highly probable purchases	EUR 1.39	124.65	Buy	1
Hedge of trade receivables and highly probable sale	EUR 15.88	1,422.59	Sell	10
March 31, 2022				
Hedge of payables, supplier's credit and highly probable foreign currency purchases	USD 101.33	7,681.30	Buy	141
Hedge of trade receivables, margin money deposits and highly probable sale	USD 114.05	8,645.76	Sell	60
Hedge of payables and highly probable purchases	EUR 1.05	88.72	Buy	3
Hedge of trade receivables and highly probable sale	EUR 6.68	565.94	Sell	10

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Amounts payable in foreign currency on account of the following:

(₹ in million)

Category	Currency type	March 31, 2023		March 31, 2022	
		Foreign currency	Amount	Foreign currency	Amount
Import of goods and services	EUR	0.02	1.94	0.00*	0.13
Import of goods and services	USD	0.62	50.89	0.13	9.62

Amount less than ₹ 0.01 million

(c) Commodity future contracts to hedge against fluctuation in commodity prices:

The following are the outstanding future contracts entered into by the Group as on year end:

Year	Commodity type	No. of contracts	Contracted quantity (MT)	Buy/Sell
March 31, 2023	Aluminium	288	99,814	Buy
March 31, 2023	Aluminium	76	49,255	Sell
March 31, 2023	Copper	33	2,565	Buy
March 31, 2023	Copper	19	984	Sell
March 31, 2022	Aluminium	127	34,622	Buy
March 31, 2022	Aluminium	19	9,345	Sell
March 31, 2022	Copper	6	153	Buy
March 31, 2022	Copper	4	149	Sell

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NOTE 47: EMPLOYEE STOCK APPRECIATION RIGHTS (ESAR)

ESAR scheme 2017

The Group has not granted any Employee Stock Appreciation Rights (ESARs) during the year ended March 31, 2023 and March 31, 2022 to employees under the Employee Stock Appreciation Rights plan 2017 (""ESAR 2017"") Scheme (""Scheme"") as approved by the Committee formed by the Company under the Scheme vide Board Resolution dated 8 October 2017.

Following is the reconciliation of provision for ESARs outstanding issued in earlier years:

Particulars	March 31, 2023		March 31, 2022	
	Numbers	Amount (₹ in million)	Numbers	Amount (₹ in million)
Opening balance as at the beginning of the year	-	-	**6,28,472**	**307.65**
ESAR granted during the year	-	-	-	-
ESAR cancelled/waived	-	-	-	(16.37)
Payment towards ESARs vested	-	-	(6,28,472)	(291.28)
Closing balance as at the end of the year	-	-	-	-

During the previous year ended March 31, 2022, the Group has reversed expense of ₹ 16.37 million in statement of profit and loss and ₹ 291.28 million has been paid to employees towards ESAR vested.

NOTE 48: PERFORMANCE CASH INCENTIVE PLAN FOR EMPLOYEE

Long Term Incentive Plan 2022

During the year ended March 31, 2022, the Group introduced Sterlite Power Plus Performance Cash Incentive Plan– 2021 ('Performance Cash Incentive Plan') for its employees pursuant to the approval from the Nomination and Remuneration committee vide resolution dated September 24, 2021. Performance Cash Incentive Plan is designed to provide annual incentives to the employees of the Group to contribute towards long term performance of the Group and achievement of the Group's goals. It is a cash settled plan.

The Nomination and remuneration committee of the Company has approved related vesting conditions. Vesting of the benefits under Performance Cash Incentive Plan would be subject to continuous employment with the Group and certain performance parameters subject to which the incentives would vest. The total cash incentives payable as per the Performance Cash Incentive Plan are approved by the Nomination and remuneration committee and the cash pay out will be spread over a period of 3 years as per the pay out schedule specified in the Performance Cash Incentive Plan based on the performance parameters achieved by the Group during the relevant financial year. Subsequent to the first grant which was issued during the year ended March 31, 2022, the second grant was issued to eligible employees during the year ended March 31, 2023.

The Group has recorded liability towards Performance Cash Incentive Plan based on the projected unit completion method. The Group has used certain assumptions such as attrition rate and discount rate to derive the present value of the obligation under Performance Cash Incentive Plan.

The details of expenses and liability recognised during the year for the Performance Cash Incentive Plan are as follow:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Opening balance as at the beginning of the year	114.30	-
Performance Cash Incentive Plan provision during the year	33.11	114.30
Payment towards Performance Cash Incentive Plan vested	(59.54)	-
Closing balance as at the end of the year	**87.87**	**114.30**

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NOTE 49: ACQUISITION OF MAHARASHTRA TRANSMISSION COMMUNICATION INFRASTRUCTURE LIMITED

(a) During the year ended March 31, 2022, the Group had acquired Maharashtra Transmission Communication Infrastructure Limited ('MTCIL') which is engaged in the business of making available fiber capacity on lease rental to retail, wholesale and enterprise /corporate customers, drawn from Optical Power Ground Wire (OPGW) network. The purchase consideration primarily pertains to the fair value of the telecommunication infrastructure assets. As the fair value of MTCIL is substantially concentrated in the property, plant and equipment, the management has considered acquisition of MTCIL as an asset acquisition. As the acquisition is considered as an asset acquisition, consideration of ₹ 278.65 million paid over and above the book values of net assets as at date of acquisition of MTCIL has been adjusted to the cost of property, plant and equipment in the consolidated financial statements.

(₹ in million)

Particulars	March 31, 2022
ASSETS	
Non-current assets	
Property, plant and equipment	858.62
Capital work-in-progress	55.25
Other intangible assets	27.40
Financial assets	
i. Other financial assets	0.27
Income tax asset (net)	115.60
Other non-current assets	16.30
Total non-current assets	**1,073.44**
Financial assets	
i. Trade receivables	251.40
ii. Cash and cash equivalents	65.67
iii. Bank balances other than (ii) above	971.62
iv. Other financial assets	5.51
Other current assets	1.49
Total current assets	1,295.69
TOTAL ASSETS	**2,369.13**
EQUITY AND LIABILITIES	
Equity	
Equity share capital	345.51
Other equity	
i. Securities premium	6.67
ii. Retained earnings	-170.37
ii. Other reserves	51.00
Total equity	**232.81**
Liabilities	
Non-current liabilities	
Financial liabilities	
i. Borrowings	88.05
ii. Lease liabilities	6.91
iii. Other financial liabilities	8.83
Employee benefit obligations	2.06
Other non-current liabilities	1,865.52
Total non-current liabilities	**1,971.37**

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(₹ in million)

Particulars	March 31, 2022
Current liabilities	
Financial liabilities	
i. Short term borrowings	0.92
ii. Lease liabilities	0.07
iii. Trade payables	0.34
iv. Other financial liabilities	81.75
Employee benefit obligations	0.40
Current tax liability (net of advance tax and TDS)	81.48
Total current liabilities	**164.95**
TOTAL LIABILITIES	**2,369.13**

NOTE 50: LEASE LIABILITY

The Group has long term lease contracts for office premises, land, colocation space and vehicles. Information about leases for which the Group is lessee is presented below.

Lease liabilities

(₹ in million)

Maturity analysis	31 March 2023	31 March 2022
Less than one year	101.04	124.62
One to two years	118.24	95.44
Two to five years	241.44	359.29
More than five years	6.36	-
Total lease liabilities as at balance sheet date	**467.08**	**579.35**

Set out below, are the carrying amount of the Group's liabilities and the movement during the year.

(₹ in million)

Particulars	31 March 2023	31 March 2022
Opening lease liabilities at the beginning of the year	579.36	53.05
Add: Additions/(deletions) [net]	(18.96)	566.71
Add: Interest expense	56.42	19.59
Less: Adjustments	-	26.32
Less: Payments	(149.21)	(86.31)
Add/(Less): Foreign currency translation	(0.53)	-
Closing lease liabilities at the end of the year	**467.08**	**579.36**
Current	101.04	124.62
Non-current	366.04	454.74

The weighted average incremental borrowing rate for discounting lease payments for India: 11.00% p.a. to 11.50% p.a. (March 31, 2022: 9.83% p.a. to 11.75% p.a.) and for Brazil: 9.79% p.a. (March 31, 2022: 10.24% p.a.)

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NOTE 51: STATUTORY GROUP INFORMATION (SHARE IN NET ASSETS)

Name of entity	Net assets, i.e., total assets minus total liabilities (March 31, 2023)		Net assets, i.e., total assets minus total liabilities (March 31, 2022)	
	As % of consolidated net assets	(₹ in million)	As % of consolidated net assets	(₹ in million)
Parent				
Sterlite Power Transmission Limited	69.72%	10,523.15	43.94%	7,464.41
Subsidiaries				
- **Indian**				
Sterlite Convergence Limited	1.66%	249.85	0.67%	114.61
Sterlite EdIndia Foundation	0.01%	0.79	0.02%	2.58
Sterlite Grid 5 Limited	(0.14)%	(21.16)	(0.13)%	(21.33)
Sterlite Grid 6 Limited	0.00%	0.45	0.00%	(0.17)
Sterlite Grid 7 Limited	0.01%	2.15	0.00%	(0.15)
Sterlite Grid 8 Limited	0.00%	0.38	0.00%	(0.18)
Sterlite Grid 9 Limited	0.00%	(0.03)	0.00%	(0.17)
Sterlite Grid 10 Limited	0.00%	(0.02)	0.00%	(0.18)
Sterlite Grid 11 Limited	0.00%	(0.06)	0.00%	(0.18)
Sterlite Grid 12 Limited	0.00%	(0.02)	0.00%	(0.18)
Sterlite Grid 15 Limited	0.00%	0.44	0.00%	0.37
Sterlite Grid 16 Limited	(10.58)%	(1,596.77)	0.00%	(0.01)
Sterlite Grid 17 Limited	0.00%	(0.01)	0.00%	(0.01)
Sterlite Grid 19 Limited	0.00%	(0.01)	0.00%	(0.00)
Sterlite Grid 20 Limited	0.00%	0.4	0.00%	0.00
Sterlite Grid 21 Limited	0.01%	0.86	0.00%	0.01
Sterlite Grid 22 Limited	0.00%	(0.01)	0.00%	0.00
Sterlite Grid 23 Limited	0.00%	0.62	0.00%	0.67
Sterlite Grid 24 Limited	0.86%	129.46	0.00%	0.34
Sterlite Grid 25 Limited	0.00%	0.27	0.00%	0.34
Sterlite Grid 26 Limited	0.04%	5.82	0.47%	79.58
Sterlite Grid 27 Limited	0.01%	1.95	0.00%	0.34
Sterlite Grid 28 Limited	0.00%	0.11	0.00%	(0.40)
Sterlite Grid 29 Limited	-	-	0.00%	(0.62)
Sterlite Grid 30 Limited	0.00%	(0.03)	0.00%	(0.16)
Sterlite Grid 31 Limited	0.00%	0.28	-	-
Sterlite Grid 32 Limited	0.00%	0.28	-	-
Sterlite Grid 33 Limited	0.00%	0.28	-	-
Sterlite Grid 34 Limited	0.00%	0.28	-	-
Sterlite Grid 35 Limited	0.01%	0.87	-	-
Sterlite Grid 36 Limited	0.00%	0.07	-	-
Sterlite Grid 37 Limited	0.00%	0.07	-	-
Sterlite Grid 38 Limited	0.00%	0.07	-	-
Sterlite Grid 39 Limited	0.00%	0.07	-	-
Sterlite Grid 40 Limited	0.00%	0.07	-	-
One Grid Limited	0.00%	(0.04)	0.00%	0.03
Maharashtra Transmission Communication Infrastructure Limited	1.13%	170.86	3.22%	547.85
Nangalbibra-Bongaigaon Transmission Limited	8.29%	1,251.63	(2.07)%	(351.58)
Kishtwar Transmission Limited	(1.98)%	(299.46)		-
Khargone Transmission Limited	-	-	22.35%	3,797.31
Sterlite Interlinks Limited	1.05%	158.67	-	-

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Name of entity	Net assets, i.e., total assets minus total liabilities (March 31, 2023)		Net assets, i.e., total assets minus total liabilities (March 31, 2022)	
	As % of consolidated net assets	(₹ in million)	As % of consolidated net assets	(₹ in million)
- **Foreign**				
Sterlite Brazil Participacoes S.A	(50.69)%	(7,651.06)	(12.92)%	(2,194.62)
GBS Participicoes S.A. Brazil (formerly known as Borborema Participacoes S.A.)	(43.43)%	(6,554.07)	(39.25)%	(6,668.37)
Se Vineyards Power Transmission S.A.	-	-	9.46%	1,607.45
Vineyards Participacoes S.A.	-	-	(15.55)%	(2,641.12)
Dunas Transmissão de Energia S.A*			-	-
Borborema Transmissão de Energia S.A.	24.92%	3,761.40	14.07%	2,389.96
São Francisco Transmissão de Energia S.A.	3.18%	480.1	3.27%	555.69
Goyas Transmissão de Energia S.A.	36.65%	5,531.28	30.93%	5,254.55
Marituba Transmissão de Energia S.A.	26.69%	4,028.33	22.56%	3,831.95
Solaris Transmissão de Energia S.A.	31.49%	4,752.51	17.47%	2,967.20
Jaçanã Transmissão de Energia S.A (Erstwhile Jaçanã Energia Ltd)	0.33%	49.86	-	-
Olindina Participaçíões S.A. (Erstwhile Jaçanã Transmissão de Energia S.A)	-	-	-	-
Tangará Transmissão de Energia S.A. (Erstwhile Cerrado Transmissão de Energia S.A)	0.06%	9.23	-	-
Serra Negra Transmissão de Energia S.A (Erstwhile Veredas Transmissão de Energia S.A	0.01%	1.79	-	-
SF 542 Participações Societárias	-	-	-	-
Associate				
- **Indian**				
Sterlite Interlinks Limited	-	-	0.08%	12.85
Joint ventures				
- **Indian**				
Sterlite Grid 13 Limited	-	-	-	-
Sterlite Grid 14 Limited	-	-	-	-
Sterlite Grid 18 Limited	-	-	-	-
Sterlite Grid 29 Limited	0.67%	100.82	1.41%	238.94
Total	**100.00%**	**15,092.78**	**100.00%**	**16,987.59**

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NOTE 52: STATUTORY GROUP INFORMATION (SHARE IN PROFIT OR LOSS)

Name of entity	Share in profit or loss (Period ended March 31, 2023)		Share in profit or loss (Period ended March 31, 2022)	
	As % of profit/loss for the period	(₹ in million)	As % of profit/loss for the period	(₹ in million)
Parent				
Sterlite Power Transmission Limited	(991.65)%	3,245.87	89%	3,911.16
Subsidiaries				
- **Indian**				
Sterlite Convergence Limited	5.47%	(17.92)	(0.5)%	(21.92)
Sterlite EdIndia Foundation	8.58%	(28.08)	(0.7)%	(30.43)
Sterlite Grid 4 Limited^		-	93.5%	4,114.59
Sterlite Grid 5 Limited	0.14%	(0.47)	(0.1)%	(2.76)
Sterlite Grid 6 Limited	0.02%	(0.05)	0.0%	(0.83)
Sterlite Grid 7 Limited	0.69%	(2.25)	0.0%	(0.84)
Sterlite Grid 8 Limited	0.20%	(0.67)	0.0%	(0.84)
Sterlite Grid 9 Limited	0.21%	(0.68)	0.0%	(0.83)
Sterlite Grid 10 Limited	0.02%	(0.08)	0.0%	(0.83)
Sterlite Grid 11 Limited	0.22%	(0.71)	0.0%	(0.83)
Sterlite Grid 12 Limited	0.20%	(0.67)	0.0%	(1.42)
Sterlite Grid 15 Limited	0.03%	(0.09)	0.0%	(0.82)
Sterlite Grid 16 Limited	193.23%	(632.48)	0.0%	(0.03)
Sterlite Grid 17 Limited	0.20%	(0.66)	0.0%	(0.03)
Sterlite Grid 19 Limited	0.20%	(0.66)	0.0%	(0.63)
Sterlite Grid 20 Limited	0.20%	(0.66)	0.0%	(0.63)
Sterlite Grid 21 Limited	0.20%	(0.66)	0.0%	(0.63)
Sterlite Grid 22 Limited	0.02%	(0.07)	0.0%	(0.62)
Sterlite Grid 23 Limited	0.20%	(0.66)	0.0%	(0.03)
Sterlite Grid 24 Limited	(0.09)%	0.28	0.0%	(0.03)
Sterlite Grid 25 Limited	0.02%	(0.08)	0.0%	(0.03)
Sterlite Grid 26 Limited	2.01%	(6.59)	0.0%	(0.10)
Sterlite Grid 27 Limited	0.27%	(0.90)	0.0%	(0.63)
Sterlite Grid 28 Limited	(0.16)%	0.52	0.0%	(1.26)
Sterlite Grid 30 Limited	0.20%	(0.67)	0.0%	(0.21)
Sterlite Grid 31 Limited	0.37%	(1.22)		-
Sterlite Grid 32 Limited	0.37%	(1.22)		-
Sterlite Grid 33 Limited	0.37%	(1.22)		-
Sterlite Grid 34 Limited	0.37%	(1.22)		-
Sterlite Grid 35 Limited	0.19%	(0.63)		-
Sterlite Grid 36 Limited	0.01%	(0.03)		-
Sterlite Grid 37 Limited	0.19%	(0.62)		-
Sterlite Grid 38 Limited	0.01%	(0.03)		-
Sterlite Grid 39 Limited	0.01%	(0.03)		-
Sterlite Grid 40 Limited	0.01%	(0.03)		-
One Grid Limited	0.02%	(0.07)	0.0%	(0.04)
Maharashtra Transmission Communication Infrastructure Limited	(84.65)%	277.07		-
Nangalbibra-Bongaigaon Transmission Limited	0.55%	(1.81)	(0.1)%	(3.72)
Kishtwar Transmission Limited	0.93%	(3.05)		-
Khargone Transmission Limited	(36.10)%	118.17	0.0%	0.28
Sterlite Interlinks limited(from june 01,2022)	(6.25)%	20.44		-

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Name of entity	Share in profit or loss (Period ended March 31, 2023)		Share in profit or loss (Period ended March 31, 2022)	
	As % of profit/loss for the period	(₹ in million)	As % of profit/loss for the period	(₹ in million)
- Foreign				
Sterlite Brazil Participacoes S.A	96.06%	(314.42)	(4)%	(169.76)
Se Vineyards Power Transmission S.A.		-	0%	(4.69)
Vineyards Participacoes S.A.	14.33%	(46.92)	(8)%	(331.33)
Dunas Transmissão de Energia S.A		-	0%	2.95
Borborema Transmissão de Energia S.A.	(216.15)%	707.49	(2)%	(71.27)
GBS Participacoes S.A. (Formerly known as Borborema Participacoes S.A.)	444.53%	(1,455.03)	(4)%	(164.11)
São Francisco Transmissão de Energia S.A.	546.52%	(1,788.85)	0%	4.62
Goyas Transmissão de Energia S.A.	(75.71)%	247.81	(6)%	(271.07)
Marituba Transmissão de Energia S.A.	(47.47)%	155.39	0%	(17.80)
Solaris Transmissão de Energia S.A.	(422.39)%	1,382.57	3%	144.42
Jaçanã Transmissão de Energia S.A (Erstwhile Jaçanã Energia Ltd)	0.29%	(0.94)	-	-
Olindina Participações S.A. (Erstwhile Jaçanã Transmissão de Energia S.A)		-	-	-
Tangará Transmissão de Energia S.A. (Erstwhile Cerrado Transmissão de Energia S.A)	0.16%	(0.51)	-	-
Serra Negra Transmissão de Energia S.A (Erstwhile Veredas Transmissão de Energia S.A	0.14%	(0.46)	-	-
SF 542 Participações Societárias		-	-	-
Associates				
- Indian				
Sterlite Interlinks Limited(upto May 31, 2023	(0.02)%	0.05	0%	0.26
Joint Venture				
- Indian				
Sterlite Grid 13 Limited	477.34%	(1,562.44)	(32)%	(1,424.93)
Sterlite Grid 14 Limited	33.99%	(111.28)	(2)%	(96.56)
Sterlite Grid 18 Limited	109.09%	(357.05)	(19)%	(847.88)
Sterlite Grid 29 Limited	42.20%	(138.15)	(7)%	(306.50)
Total	**100.00%**	**(327.32)**	**100.00%**	**4,401.42**

^ Company merged with Sterlite Power Transmission Limited (refer note 61)

NOTE 53: STATUTORY GROUP INFORMATION (SHARE IN OTHER COMPREHENSIVE INCOME)

Name of entity	Share in other comprehensive income (year ended March 31, 2023)		Share in other comprehensive income (year ended March 31, 2022)	
	As % of OCI for the year	(₹ in million)	As % of OCI for the year	(₹ in million)
Parent				
Sterlite Power Transmission Limited	104.50%	(1,821.03)	80.07%	4,178.05
Foreign subsidiaries				
Sterlite Brazil Participacoes S.A	-4.50%	78.38	19.93%	1,040.09
Total	**100.00%**	**(1,742.65)**	**100.00%**	**5,218.15**

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NOTE 54: SHARE BASED PAYMENTS

Details of the Employee Share Option Plan (ESOP) of the Company:

(a) The ESOP titled “Sterlite Power Transmission Limited Restricted Stock Unit Scheme 2022” (RSU 2022/ Scheme) was approved by the shareholders of the Company on July 06, 2022. Total 12,23,638 options are covered under the Scheme which are convertible into equal number of equity shares of the Company. The vesting period of these options range over a period of three years and the options must be exercised within a period of four years from the date of vesting. The Company has granted 3,52,900 options (March 31, 2022: Nil) under this scheme during the year ended March 31, 2023.

(b) During the current year, Employee benefit expense of ₹ 59.06 million (March 31, 2022: Nil) relating to the above referred Employee Share Option Plan have been recognised in the statement of profit and loss.

Fair value of share options granted during the year:
The fair value of the options granted during the year is ₹ 463.21 per option. The Options were priced using a Black- Scholes method of valuation at grant date. Expected volatility is based on the historical share price volatility over the past 3 years.
The following assumptions were used for valuation of fair value of options granted during the year:

Particulars	Amount
Grant date share price (in ₹)	474.75
Exercise price per share (in ₹)	2.00
Expected life (in years)	3.00 to 5.01
Expected volatility (%)	40.45 to 41.06
Dividend yield (%)	0.56
Risk-free interest rate (%)	6.73 to 7.06

Employee share options details as on the balance sheet date are as follows:

Particulars	Options (Nos.)	Weighted average exercise price per option (H)
Option outstanding at the beginning of the year:	-	-
Granted during the year:	3,52,900	2.00
Exercised during the year	-	-
Lapsed/ cancelled during the year	29,940	-
Options outstanding at the end of the year:*	3,22,960	2.00
Options available for grant	9,00,678	2.00

** Includes options vested but not exercised as at March 31, 2023: Nil (March 31, 2022: Nil)*

 # Above grants, exercise price and fair value is adjusted on account of issue of bonus shares during the year as per scheme (refer note 16).

NOTE 55: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include Investments, loans, trade and other receivables, cash and short-term deposits and other financial assets that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Group reviews and agrees policies for managing each of these risks, which are summarised below.

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The Risk Management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

Management has overall responsibility for the establishment and oversight of the Group's risk management framework.

(a) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2023.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analysis:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023 and March 31, 2022.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate primarily relates to the Group's long term debt obligations with floating interest rates.

The Group is exposed to the interest rate fluctuation in both domestic and foreign currency borrowing. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2023, 9.08 % of the Group's borrowings are at a fixed rate of interest (March 31, 2022: 2.62%).

Further, the Group does not record borrowings at fair value through profit and loss.

Interest rate sensitivity

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

(₹ in million)

Particulars	Increase/ decrease in basis points	Effect on profit before tax*
March 31, 2023		
Base Rate	+50	(216.06)
Base Rate	-50	216.06
March 31, 2022#		
Base Rate	+50	(102.78)
Base Rate	-50	102.78

**Part of the interest costs pertaining to under construction projects get capitalised. The figures for sensitivity in the above table are before considering the capitalisation of interest costs.*

#Does not include sensitivity with respect to interest on borrowings associated with assets classified as held for sale. Refer note 12.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the group's operating activities (when revenue or expense is denominated in a foreign currency) and foreign currency borrowings.

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The Group has a policy to keep minimum forex exposure on the books that are likely to occur within a maximum 12-month period for hedges of forecasted sales and purchases.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Out of total foreign currency exposure the Group has hedged the exposure of 99.99% as at March 31, 2023 and 99.99% as at March 31, 2022.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Group's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Group's exposure to foreign currency changes for all other currencies is not material. With all the other variable held constant, the Group's profit before tax is affected through the impact on change of foreign currency rate as follows:

(₹ in million)

	Change in USD rate	Effect on profit before tax / pre-tax equity	Change in Euro rate	Effect on profit before tax / pre-tax equity
March 31, 2023	+5%	(2.54)	+5%	(0.10)
	-5%	2.54	-5%	0.10
March 31, 2022 *	+5%	(0.48)	+5%	(0.01)
	-5%	0.48	-5%	0.01

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of aluminium and copper for manufacture of conductor and OPGW, power cables and therefore requires a continuous supply of aluminium and copper. Due to the volatility of the price of aluminium and copper, the Group enters into various purchase contracts for aluminium and copper on London Metal Exchange. The prices in these purchase contracts are linked to the price on London Metal Exchange.

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Based on forecasted delivery plans, the Group hedges the aluminium and copper price using future commodity contracts. The forecast is deemed to be highly probable.

Commodity price sensitivity

As per the Group's policy for commodity price hedging, all the commodity price exposures as on reporting dates are fully hedged. Thus, there are no open unhedged exposures on the reporting dates.

Equity price risk

The Group has invested in mutual fund units, compulsory convertible debentures and unlisted equity securities which are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to mutual fund units, compulsory convertible debentures and unlisted equity securities at fair value is ₹ 1,753.89 million (March 31, 2022: ₹ 211.57 million). Sensitivity analysis of these investments have been provided in note 57.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

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Trade receivables

Customer credit risk is managed by each business unit subject to the group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group does not hold collateral as security. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

The Group is also engaged in transmission infrastructure development business under BOOM (Build, Own, Operate and Maintain) and currently derive its revenue primarily from BOOM contracts with long term transmission customers ('LTTC'). The Group being transmission licensee receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the PoC method, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility ('CTU') from LTTC's are disbursed pro-rata to all Transmission Service Providers ('TSPs') from the pool in proportion of the respective billed amount. Due to this, the TSPs are shielded against any potential default by a particular customer. If a particular customer delays or defaults, the delay or shortfall is prorated amongst all the TSPs. Based on past history of payments, payments due have always been paid and there have been no write-off's for due amounts. Due to the payment mechanism explained above as well as due to no history of any write-off's of payments which were due, the Group has not considered any expected credit loss on the financial assets in the nature of trade receivables of transmission business. During the various periods presented, there has been no change in the credit risk of trade receivables of transmission business. However, this assessment may need a review if there is any change in the Pooling Regulations.

Financial guarantee contracts

The Group is exposed to credit risk in relation to financials guarantee given by the Group on behalf of joint ventures and other external parties. The Group's maximum exposure in this regard is the maximum amount the Group could have to pay if the guarantee is called on as at March 31, 2023 is ₹ 2,549.10 million (March 31, 2022: ₹ 3,945.50 million). These financial guarantees have been issued to bank and long term transmission customer on behalf of its joint ventures and other external parties. Based on the expectations at the end of reporting period, the Group considers likelihood of any claim under guarantee is remote.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Group's maximum exposure relating to financial guarantees and financial derivative instruments is noted in note 45 and the liquidity table below.

Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial

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asset. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 60 - 180 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

(₹ in million)

Particulars	Payable on demand	Less than 1 year	1 year to 5 years	> 5 years	Total
As at March 31, 2023					
Borrowings #	1,990.89	9,568.94	9,761.01	27,048.63	48,369.47
Other financial liabilities	-	4,130.29	-	-	4,130.29
Trade payables	-	20,978.17	-	-	20,978.17
Payables for property, plant and equipment	-	1,887.59	-	-	1,887.59
Derivatives	-	58.09	-	-	58.09
Lease liabilities	-	101.04	359.68	6.36	467.08
Financial / Performance guarantee contracts*	2,549.10	-	-	-	2,549.10
	4,539.99	**36,724.12**	**10,120.69**	**27,054.99**	**78,439.78**
As at March 31, 2022					
Borrowings #	1,852.76	4,085.48	271.21	15,629.07	21,838.52
Other financial liabilities	-	2,215.41	176.13	-	2,391.54
Trade payables	-	16,688.23	-	-	16,688.23
Payables for property, plant and equipment	-	474.34	-	-	474.34
Derivatives	-	7.46	-	-	7.46
Lease liabilities	-	124.62	454.74	-	579.36
Financial / Performance guarantee contracts*	3,945.50	-	-	-	3,945.50
	5,798.26	**23,595.54**	**902.08**	**15,629.07**	**45,924.95**

** Based on the maximum amount that can be called for under the financial guarantee contract. Financial guarantee contract pertains to guarantees given to term loan lender, long term transmission customer on behalf of joint ventures and other parties. These will be invoked in case of default by the party on whose behald the financial guarantee is given (refer note 44).*

 # Including short and term long term borrowings and interest accrued thereon.

NOTE 56: CAPITAL MANAGEMENT

For the purpose of the group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

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The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings, lease liabilities, trade payables and other financial liabilities less cash and cash equivalents, short-term deposits and current investments.

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings#	43,653.40	20,832.22
Trade payables	20,978.17	16,688.24
Other financial liabilities	8,330.98	3,504.65
Advances received from customers	14,296.68	7,304.43
Less: Cash and cash equivalents, short-term deposits and current investments	(15,183.30)	(13,500.53)
Net debt (A) *	**72,075.93**	**34,829.01**
Equity share capital	244.72	122.36
Other equity	14,695.30	16,783.70
Total capital (B)	**14,940.02**	**16,906.06**
Capital and net debt [C = (A+B)]	**87,015.95**	**51,735.07**
Gearing ratio (A/C)	**45.30%**	**40.23%**

** Does not include amounts associated with disposal groups classified as held for sale (Refer note 12).*

 # Including short and term long term borrowings and interest accrued thereon.

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

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

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NOTE 57: FAIR VALUES
Set out below is the comparison of class of the carrying amount and fair value of the Group's financial instruments that are recognized in the financial statements:

(₹ in million)

Particulars	Carrying value		Fair value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial assets				
- **At fair value through other comprehensive income**				
Investment in equity instruments	100.16	112.45	100.16	112.45
Derivative instruments	539.42	522.69	539.42	522.69
- **At fair value through profit or loss**				
Investment in compulsorily convertible debentures	848.72	99.13	848.72	99.13
Investment in mutual funds	805.00	-	805.00	-
- **At amortised cost**				
Investment in non-convertible debentures	7,169.67	5,744.40	7,169.67	5,744.40
Loans	-	35.52	-	35.52
Trade receivables	15,996.30	13,604.29	15,996.30	13,604.29
Cash and cash equivalents	11,576.15	11,475.58	11,576.15	11,475.58
Other bank balances	2,802.15	2,024.95	2,802.15	2,024.95
Other financial assets	2,700.54	2,403.68	2,700.54	2,403.68
Total	**42,538.11**	**36,022.69**	**42,538.11**	**36,022.69**
Financial liabilities				
- **At fair value through other comprehensive income**				
Derivative instruments	58.09	7.46	58.09	7.46
- **At amortised cost**				
Borrowings	46,114.47	21,207.22	46,114.47	21,207.22
Lease liabilities	467.09	579.36	467.09	579.36
Trade payables	20,978.17	16,688.23	20,978.17	16,688.23
Other financial liabilities	8,272.88	3,497.19	8,272.88	3,497.19
Total	**75,890.70**	**41,979.46**	**75,890.70**	**41,979.46**

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, other financial assets and liabilities, lease liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has further assessed that borrowings availed and loans given approximate their carrying amounts largely due to the interest rates being variable or in case of fixed rate borrowings/loans, movements in interest rates from the recognition of such financial instrument till period end not being material.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted mutual funds are based on price quotations at the reporting date.
- The fair values of the unquoted equity instruments and compulsorily convertible debentures have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted Equity investments and compulsory convertible debentures
- The Group enters into derivative financial instruments with financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations.

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The models incorporate various inputs including the credit quality counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spread between the respective currencies, interest rate curves etc. The fair values of commodity futures contracts are based on price quotations on LME at the reporting date. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2023 and March 31, 2022 are as shown below:

Description of significant unobservable inputs to valuation:

A FVTOCI assets - unquoted compulsorily convertible debentures of joint ventures

The fair value of the investments in compulsorily convertible debentures of joint ventures have been determined based on the fair values of the various transmission projects constructed by the respective joint ventures. Such fair values have been computed based on discounted cash flow (DCF) method during the year ended March 31, 2023 and March 31, 2022.

(₹ in million)

	Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value of equity shares	
				March 31, 2023	March 31, 2022
(i)	Cost of equity	(i) Operational projects March 31, 2023: 12.75% March 31, 2022: NA			
		(ii) New/under construction project March 31, 2023: 14.75% March 31, 2022: 13.50% - 14.50%	(+) 0.5% (-) 0.5%	(111.58) 121.73	(111.30) 120.62
ii)	Cost of debt	March 31, 2023: 7.50% - 7.75% March 31, 2022: 8.00%	(+) 0.5% (-) 0.5%	(485.51) 482.39	(400.97) 398.28
iii)	Incremental tariff expected to be approved by CERC in respect of cost overruns due to force majeure/change in law (as % of non-escalable tariff)	Change in law claim has been considered in the fair valuation of Lakadia-Vadodara Transmission Project Limited for the year ended March 31, 2023.	(+) 5% (of non-escalable tariff) (-) 5% (of non-escalable tariff)	120.32 (120.76)	32.89 (32.89)
iv)	Project cost (for under construction assets) (note 1)		(+) 5% (-) 5%	(312.66) 312.32	(781.14) 304.06

Note 1:

(₹ in million)

Project	Project cost	
	March 31, 2023	March 31, 2022
Goa-Tamnar Transmission Project Limited	17,685.28	13,442.00
Lakadia-Vadodara Transmission Project Limited	NA	20,291.00

B. FVTOCI assets - Unquoted equity instruments of Sharper Shape Group Inc.

Valuation technique: Discounted Cash Flow (DCF) method

Sr No.	Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value of equity shares	
				March 31, 2023	March 31, 2022
i)	Discount for lack of marketability	March 31, 2023: 20.00%	5% increase	(5.67)	(6.27)
		March 31, 2022: 20.00%	5% decrease	6.93	6.27

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NOTE 58: FAIR VALUES HIERACHY

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2023 and March 31, 2022

(₹ in million)

	Amount	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/(liabilities) measured at fair value through profit and loss				
Mutual fund investments				
As at March 31, 2023	805.00	805.00	-	-
As at March 31, 2022	-	-	-	-
Investment in compulsorily convertible debentures				
As at March 31, 2023	848.72	-	-	848.72
As at March 31, 2022	99.13	-	-	99.13
Assets/(liabilities) measured at fair value through other comprehensive income				
Investment in equity instruments				
As at March 31, 2023	100.16	-	-	100.16
As at March 31, 2022	112.45	-	-	112.45
Derivative asset/(liabilities) (net)				
As at March 31, 2023	481.34	-	481.34	-
As at March 31, 2022	515.23	-	515.23	-

There have been no transfers among level 1, level 2 and level 3.

NOTE 59: RELATED PARTY DISCLOSURES

(A) Name of related party and nature of its relationship:

(a) Related parties where control exists

(i) Holding company
Twin Star Overseas Limited, Mauritius (immediate holding company)

(ii) Ultimate holding company
Volcan Investments Limited, Bahamas (ultimate holding company)

(b) Other related parties under IND AS-24 "Related party disclosures" with whom transactions have taken place during the year

(i) Associates
Indigrid Investment Managers Limited [formerly known as Sterlite Investment Managers Limited] (till January 14, 2022)
Sterlite Interlinks Limited (till May 31, 2022)
NER-II Transmission Limited (till 29, june 2021)

(ii) Joint ventures
Sterlite Grid 13 Limited
Sterlite Grid 14 Limited (from April 06, 2021)
Sterlite Grid 18 Limited (from April 06, 2021)
Sterlite Grid 29 Limited (from April 06, 2021)

(iii) Subsidiaries of joint ventures
Mumbai Urja Marg Limited (formerly known as Vapi II North Lakhimpur Transmission Limited)
Udupi Kasargode Transmission Limited (from April 06, 2021)
Lakadia-Vadodara Transmission Project Limited (from April 06, 2021)
Goa-Tamnar Transmission Project Limited (from April 06, 2021)

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ million unless otherwise stated)

(iv) Key management personnel (KMP)

Mr. Pravin Agarwal (Chairman)
Mr. Pratik Agarwal (Managing Director)
Mr. Anuraag Srivastava (Chief Financial Officer) (till September 30, 2021)
Mr. Sanjeev Bhatia (Chief Financial Officer) (from October 01, 2021)
Mr. Manish Agrawal (Whole time Director) (from December 17, 2021)
Mrs. Kamaljeet Kaur (Whole time Director) (from June 29, 2022)

(v) Fellow subsidiaries

Vedanta Limited
Bharat Aluminium Company Limited
Hindustan Zinc Limited
Sterlite Technologies Limited
Serentica Renewables India Private Limited [formerly known as Sterlite Power Technologies Private Limited] (till 9 March 2023)
Serentica Renewables India 1 Private Limited (till 9 March 2023)
Serentica Renewables India 3 Private Limited (till 9 March 2023)
Serentica Renewables India 4 Private Limited (till 9 March 2023)
Serentica Renewables India 9 Private Limited (till 9 March 2023)
Maharashtra Transmission Communication Infrastructure Limited (till March 30, 2022)
ESL Steels Limited (formerly know as Electrosteel Steels Limited)

(vi) Associates of immediate holding company

Serentica Renewables India Private Limited [formerly known as Sterlite Power Technologies Private Limited] (from March 10, 2023)

Serentica Renewables India 1 Private Limited (from March 10, 2023)

Serentica Renewables India 4 Private Limited (from March 10, 2023)

Serentica Renewables India 3 Private Limited (from March 10 2023)

Serentica Renewables India 9 Private Limited (from 10 March ,2023)

(c) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

(i) Key management personnel (KMP)

Mr. Arun Todarwal (Director) (till July 24, 2021)
Mr. Anoop Sheth (Independent Director)
Ms. Zhao Haixia (Director) (till March 31, 2022)
Mr. A.R. Narayanswamy (Independent Director)
Mr. Ashok Ganesan (Company Secretary)

(ii) Entities in which directors are interested

PTC Cables Private Limited (till July 24, 2021)
Talwandi Sabo Power Limited
Universal Floritech LLP

(iii) Relatives of key management personnel (KMP)

Mr. Navin Kumar Agarwal
Mrs. Suman Didwania

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ million unless otherwise stated)

(B) The transactions with related parties during the year and their outstanding balances are as follows:

(₹ in million)

S. No.	Particulars	Associate, Joint Ventures and its subsidiaries, Associates of immediate holding company		KMPs, Relatives of KMPs and entities in which Directors are interested		Entities in which directors are interested		Holding companies and fellow subsidiaries	
	Transactions	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Purchase of goods and services (including GST)	-	-	-	-	0.20	-	18,711.25	13,355.18
2	Sale of services	10.35	25.13	-	-	-	-	-	-
3	Sale of goods (including GST)	-	-	-	-	-	-	302.36	35.36
4	Interest income	709.22	562.97	-	-	-	-	9.36	7.81
5	Loans and advances given	307.00	-	-	-	-	-	317.90	35.00
6	Loans and advances given to related parties repaid	442.00	27.00	-	-	-	-	217.90	310.44
7	Reimbursement of expenses paid to related parties	-	-	-	-	-	-	4.60	15.50
8	Reimbursement of expense paid on behalf of related parties	3.26	52.99	-	-	-	-	6.39	5.13
9	Reimbursement of expenses recovered from related parties	-	-	-	-	-	-	-	0.68
10	Purchase of power	-	-	-	-	-	-	44.44	31.33
11	Remuneration paid [refer sub-note (D)]	-	-	150.51	149.96	-	-	-	-
12	Sitting fees	-	-	6.50	10.63	-	-	-	-
13	Commission	-	-	1.20	3.54	-	-	-	-
14	Management fees income (excluding GST)	19.59	0.73	-	-	-	-	425.17	24.99
15	Interest expenses	-	-	-	-	-	44.90	389.60	125.32
16	Security deposits repaid to the related party	-	54.00	-	-	-	-	-	-
17	Revenue from EPC contract with customer #	7,436.52	19,945.09	-	-	-	-	-	-
18	Advance received against contracts (excluding tax)	123.31	405.92	-	-	-	-	-	-
19	Subscription/acquisition of equity shares including pending allotment	162.01	1,007.90	-	-	-	-	-	-
20	Investment in non-covertible debentures (NCDs)	837.39	2,452.99	-	-	-	-	-	-
21	Investment in compulsory-convertble debentures (CCDs)	919.70	99.13	-	-	-	-	-	-
22	Dividend paid	-	-	-	8.00	-	-	-	236.50
23	Purchase consideration paid for acquisition of subsidiary	-	-	-	-	-	-	-	430.00
24	Bank guarantee given	-	800.00	-	-	-	-	-	-
25	Bank/performance guarantee given on behalf of related parties	0.21	0.20	-	-	-	-	-	-
26	Miscellaneous income	3.42	3.71	-	-	-	-	-	-

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for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

S. No.	Particulars	Associate, Joint Ventures and its subsidiaries, Associates of immediate holding company		KMPs, Relatives of KMPs and entities in which Directors are interested		Entities in which directors are interested		Holding companies and fellow subsidiaries	
	Outstanding balances	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Loans/advance receivables	-	-	-	-	-	-	-	35.52
2	Short term borrowings (including interest payable)	-	-	-	-	-	-	-	-
3	Management fee receivable	0.75		-	-	-	-	-	-
4	Trade receivables	7,027.57	6,663.17	-	-	-	-	1.53	5.13
5	Trade payables (including operational supplier's credit)	-	-	-	0.21	-	-	7,082.54	3,402.39
6	Others receivables	-	52.99	-	-	-	-	-	34.17
7	Amount payable against supplies, services and reimbursement of expenses (net of advance)	5.15	-	-	-	-	-	-	-
8	Amount receivable against supplies, services and reimbursement of expenses (net of payable)	36.61						52.93	-
9	Advances recoverable in cash from related party	-	28.40	-	-	-	-	-	-
10	Advances to vendor	-	-	-	-	-	-	3.13	-
11	Advance from customers	3,268.23	4,763.00	-	-	-	-	-	-
12	Investment in non-convertible debentures (NCDs)	7,169.67	5,744.40	-	-	-	-	-	-
13	Investment in compulsory-convertble debentures (CCDs)	848.72	99.13	-	-	-	-	-	-
14	Purchase consideration payable	-	-	-	-	-	-	130.00	230.00
15	Corporate guarantee given outstanding at year end	-	-	-	-	-	-	188.60	188.60
16	Bank/performance guarantee given outstanding at year end	822.45	2,045.90	-	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(C) Disclosure in respect of material related party transactions during the year:

(₹ in million)

	Particulars	Relationship	March 31, 2023	March 31, 2022
1	**Purchase of goods and services (including GST)**			
	Vedanta Limited	Fellow subsidiary	15,902.62	10,647.67
	Bharat Aluminium Company Limited	Fellow subsidiary	2,350.23	2,195.46
	ESL Steel Limited	Fellow subsidiary	317.02	405.88
	Universal Floritech LLP	Fellow subsidiary	0.56	-
	Sterlite Technologies Limited	Fellow subsidiary	140.83	105.97
	Hindustan Zinc Limited	Fellow subsidiary	-	0.20
	Talwandi Sabo Power Limited	Entity in which director is interested	0.20	-
2	**Sale of services**			
	Sterlite Interlinks Limited	Associate	10.35	25.13
3	**Sale of goods (including GST)**			
	Maharashtra Transmission Communication Infrastructure Limited	Fellow subsidiary	-	35.36
	Sterlite Technologies Limited	Fellow subsidiary	0.46	-
	Hindustan Zinc Limited	Fellow subsidiary	71.67	-
	Bharat Aluminium Company Limited	Fellow subsidiary	14.94	-
	Vedanta Limited	Fellow subsidiary	215.28	-
4	**Interest income**			
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Fellow subsidiary (till March 09, 2023)	5.99	1.52
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from March 10, 2023)	0.24	-
	Serentica Renewables India 3 Private Limited	Fellow subsidiary (till March 09, 2023)	3.37	-
	Serentica Renewables India 3 Private Limited	Associate of immediate holding company (from March 10, 2023)	0.75	-
	Sterlite Technologies Limited	Fellow subsidiary	-	6.29
	Sterlite Grid 13 Limited	Joint venture	233.78	135.56
	Sterlite Grid 14 Limited	Joint venture	65.54	45.73
	Sterlite Grid 18 Limited	Joint venture	247.29	241.80
	Sterlite Grid 29 Limited	Joint venture	161.62	139.88
5	**Loans and advances given**			
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Fellow subsidiary (till March 09, 2023)	182.90	35.00
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from March 10, 2023)	200.00	-
	Serentica Renewables India 3 Private Limited	Fellow subsidiary (till March 09, 2023)	135.00	-
	Lakadia-Vadodara Transmission Project Limited	Subsidiary of joint venture	107.00	-
6	**Loans and advances given to related parties repaid**			
	Sterlite Grid 14 Limited	Joint venture	-	27.00
	Sterlite Technologies Limited	Fellow subsidiary	-	101.50
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Fellow subsidiary (till March 09, 2023)	217.90	208.94

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Particulars	Relationship	March 31, 2023	March 31, 2022
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from March 10, 2023)	200.00	-
	Serentica Renewables India 3 Private Limited	Associate of immediate holding company (from March 10, 2023)	135.00	-
	Lakadia-Vadodara Transmission Project Limited	Subsidiary of joint venture	107.00	-
7	**Reimbursement of expenses paid to related parties**			
	Sterlite Technologies Limited	Fellow subsidiary	4.60	15.50
8	**Reimbursement of expense paid on behalf of related parties**			
	Lakadia-Vadodara Transmission Project Limited	Subsidiary of joint venture	-	33.36
	Mumbai Urja Marg Liimited	Subsidiary of joint venture	-	7.74
	Goa-Tammar Transmission Project Limited	Subsidiary of joint venture	0.50	11.89
	Vedanta Limited	Fellow subsidiary	3.00	5.13
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Fellow subsidiary (till March 09, 2023)	3.40	-
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from March 10, 2023)	2.76	-
9	**Reimbursement of expenses recovered from related parties**			
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Fellow subsidiary (till March 09, 2023)	-	0.68
10	**Purchase of power**			
	Vedanta Limited	Fellow subsidiary	44.44	31.33
11	**Remuneration paid [refer sub-note (D)]**			
	Mr. Anuraag Srivastava	KMP	-	24.28
	Mr. Pratik Agarwal	KMP	74.85	101.50
	Mr. Ashok Ganesan	KMP	11.25	11.81
	Mr. Sanjeev Bhatia	KMP	15.55	6.39
	Mr. Manish Agrawal	KMP	35.29	5.98
	Mrs. Kamaljeet Kaur	KMP	13.57	-
12	**Sitting fees**			
	Mr. Arun Todarwal	Director	-	1.40
	Mr. A. R. Narayanswamy	Director	3.60	3.70
	Ms. Haixia Zhao	Director	-	2.63
	Mr. Anoop Sheth	Director	2.90	2.90
13	**Commission**			
	Ms. Haixia Zhao	Director	-	3.42
	Mr. A.R Narayanaswamy	Director	-	0.12
	Mr. Anoop Sheth	Director	1.20	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Particulars	Relationship	March 31, 2023	March 31, 2022
14	**Management fees income (excluding GST)**			
	IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)	Associate	-	0.73
	Maharashtra Transmission Communication Infrastructure Limited	Fellow subsidiary	-	24.99
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Fellow subsidiary (till March 09, 2023)	425.17	-
	Serentica Renewables India Private Limited (formerly known as Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from March 10, 2023)	18.80	-
	Mumbai Urja Marg Limited	Subsidiary of joint venture	0.15	-
	Goa-Tamnar Transmission Project Limited	Subsidiary of joint venture	0.65	-
15	**Interest expenses**			
	PTC Cables Private Limited	Entity in which director is interested	-	44.90
	ESL Steels Limited (formerly know as Electrosteel Steels Limited)	Fellow subsidiary	5.51	-
	Hindustan Zinc Limited	Fellow subsidiary	0.03	-
	Vedanta Limited	Fellow subsidiary	344.90	104.10
	Bharat Aluminium Company Limited	Fellow subsidiary	39.16	21.22
16	**Security deposits repaid to the related party**			
	Sterlite Interlinks Limited	Associate	-	54.00
17	**Revenue from EPC contract with customer #**			
	Udupi Kasargode Transmission Limited	Subsidiary of joint venture	581.57	2,394.31
	Mumbai Urja Marg Liimited	Subsidiary of joint venture	5,468.97	6,359.68
	Goa-Tammar Transmission Project Limited	Subsidiary of joint venture	703.93	2,004.29
	Lakadia-Vadodara Transmission Project Limited	Subsidiary of joint venture	682.04	9,186.81
18	**Advance received against contracts (excluding tax)**			
	Udupi Kasargode Transmission Limited	Subsidiary of joint venture	-	405.92
	Serentica Renewables India 1 Private Limited	Associate of immediate holding company (from March 10, 2023)	84.96	-
	Serentica Renewables India 4 Private Limited	Associate of immediate holding company (from March 10, 2023)	38.35	-
19	**Subscription/acquisition of equity shares including pending allotment**			
	Sterlite Grid 13 Limited	Joint venture	162.01	-
	Sterlite Grid 14 Limited	Joint venture	-	0.10
	Sterlite Grid 18 Limited	Joint venture	-	618.11
	Sterlite Grid 29 Limited	Joint venture	-	389.69
20	**Investment in non-covertible debentures (NCDs)**			
	Sterlite Grid 13 Limited	Joint venture	787.39	507.87
	Sterlite Grid 14 Limited	Joint venture	50.00	228.72
	Sterlite Grid 18 Limited	Joint venture	-	964.36
	Sterlite Grid 29 Limited	Joint venture	-	752.05

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

	Particulars	Relationship	March 31, 2023	March 31, 2022
21	**Investment in compulsory-convertble debentures (CCDs)**			
	Sterlite Grid 18 Limited	Joint venture	794.70	50.51
	Sterlite Grid 29 Limited	Joint venture	125.00	48.63
22	**Dividend paid**			
	Twin Star Overseas Limited	Immediate Holding Company	-	231.45
	Vedanta Limited	Fellow Subsidiary	-	5.05
	Mr. Pravin Agarwal	Chairman	-	4.43
	Mr. Navin Kumar Agarwal	Relative of KMP	-	0.30
	Mrs. Suman Didwania	Relative of KMP	-	0.09
	Mr. Pratik Agarwal	Managing Director	-	3.18
23	**Purchase consideration paid for acquisition of subsidiary**			
	Sterlite Technologies Limited	Fellow subsidiary	-	430.00
24	**Bank guarantee given**			
	Mumbai Urja Marg Liimited	Subsidiary of joint venture	-	800.00
27	**Bank/performance guarantee given on behalf of related parties**			
	Goa-Tamnar Transmission Project Limited	Subsidiary of joint venture	0.21	-
	Lakadia-Vadodara Transmission Project Limited	Subsidiary of joint venture	-	0.20
26	**Miscellaneous income**			
	Sterlite Grid 14 Limited	Joint venture	3.42	3.07
	Sterlite Grid 29 Limited	Joint venture	-	0.64

 # Sales disclosed above are based on actual billings made to subsidiaries of joint ventures in respect of EPC contracts. However, the Group recognises revenue based on percentage of completion method.

(D) Compensation of Key management personnel of the Group:

(₹ in million)

Particulars	March 31, 2023	March 31, 2022
Short term employee benefits	150.51	149.96
Post employment benefits*	-	-
Total	**150.51**	**149.96**

** As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Group as a whole, the amounts pertaining to the key management personnel are not included above.*

***Note:** All the related party transactions disclosed above have been shown at their nominal values without giving effect to the impact of reclassification into equity and liability and adjustment arising on account of effective interest rate method under Ind AS.*

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 60: SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and services and has two reportable segments, as follows:

- Power product and solutions segment, which produces power conductors, power cables and optical power ground wire and also master system integration of power transmission lines.
- Power transmission grid business, which develops power transmission infrastructure on build, owns, operate and maintain basis in India and executes service concession arrangement of power transmission infrastructure in Brazil.
- Others includes leasing of dark fibre ducts and other miscellaneous activities.

The Executive Management Committee is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Group's special purpose consolidated financial statements. Transfer prices between operating segments are mutually agreed between the segments taking into account the market prices and other relevant factors.

(₹ in million)

Particulars	March 31, 2023				
	Power product and solutions	Power transmission grid business	Others	Eliminations	Total
Segment revenue (Gross)					
External customer	37,342.20	25,182.61	445.87	-	62,970.68
Inter-segment	1,895.79	-	-	(1,895.79)	-
Total revenue	**39238.00**	**25,182.61**	**455.87**	**(1,895.79)**	**62,970.68**
Segment results (PBIT) #	**5,140.41**	**5,282.64**	**163.53**	**(2,316.21)**	**8,270.37**
Less: Finance cost (net)	877.84	5,168.60	(49.11)	(30.87)	5,966.46
Profit/(loss) before tax	**4,262.57**	**114.04**	**212.64**	**(2,285.34)**	**2,303.91**
Less: Tax expense	1,042.70	1,552.91	40.06	(4.44)	2,631.23
Profit/(loss) for the year	**3,219.87**	**(1,438.87)**	**172.58**	**(2,280.90)**	**(327.32)**
Segment assets	**52,600.51**	**62,159.63**	**4,463.78**	**(8,861.16)**	**1,10,362.76**
Segment liabilities	**37,379.12**	**58,535.84**	**3,885.41**	**(4,530.39)**	**95,269.98**
Investments in joint venture	-	100.82	-	-	100.82
Investments in non-convertible debentures of joint ventures	-	7,169.67	-	-	7,169.67
Investments in compulsorily-convertible debentures of joint ventures	-	848.73	-	-	848.73
Additions to non-current assets*	187.94	320.88	162.52	-	671.34
Depreciation and amortization	438.67	526.49	92.88	-	1,058.04

** Non-current assets for this purpose consist of property, plant and equipment, capital work in progress and intangible assets.*

 # includes net gain on sale of power transmission assets

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(₹ in million)

Particulars	March 31, 2022				
	Power product and solutions	Power transmission grid business	Others	Eliminations	Total
Segment revenue (Gross)					
External customer	37,459.62	14,482.45	32.76	-	51,974.83
Inter-segment	514.51	-	-	(514.51)	-
Total Revenue	**37,974.13**	**14,482.45**	**32.76**	**(514.51)**	**51,974.83**
Segment results (PBIT) #	**3,147.65**	**7,349.26**	**3.57**	**(558.35)**	**9,942.13**
Less: Finance cost (net)	269.58	3,085.89	17.95	(1.26)	3,372.16
Profit / (Loss) before tax	**2,878.07**	**4,263.37**	**(14.38)**	**(557.09)**	**6,569.97**
Less: Tax expense	411.43	1,208.17	-	548.95	2,168.55
Profit / (Loss) for the year	**2,466.64**	**3055.20**	**(14.38)**	**(1,106.04)**	**4,401.42**
Segment assets	**41,299.18**	**57,217.57**	**2,692.17**	**(9717.85)**	**91,491.07**
Segment liabilities	**30,851.25**	**50,922.65**	**2,488.37**	**(9758.79)**	**74,503.48**
Investments in associates and joint venture	12.85	238.94	-	-	251.79
Investments in non-convertible debentures of joint ventures	-	5,744.40	-	-	5,744.40
Investments in compulsorily-convertible debentures of joint ventures	-	99.13	-	-	99.13
Additions to non-current assets*	809.50	5,517.80	1,181.59	-	7,508.89
Depreciation and amortization	390.66	400.14	12.76	-	803.56

** Non-current assets for this purpose consist of property, plant and equipment, capital work in progress and intangible assets.*

 # includes net gain on sale of power transmission assets.

Geographical Information

The amount of its revenue from external customers broken down by location of the customers is shown in the table below :

(₹ in million)

Particulars	March 31, 2023	March 31, 2022
(1) Segment revenue - external turnover		
- Within India	27,714.32	28,019.10
- Outside India	35,256.36	23,955.73
Total	**62,970.68**	**51,974.84**
The revenue information above is based on the locations of the customers.		
(2) Non-current assets*		
- Within India	7,779.56	4,986.53
- Outside India	42,946.92	17,984.21
Total	**50,726.48**	**22,970.74**

**Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, right of use asset, intangible assets, intangible assets under development and other noncurrent assets.*

Information about major customers

For Power transmission grid segment, under Point of Connection (PoC) mechanism, Power Grid Corporation of India Limited ('PGCIL') is designated as central transmission utility with the responsibility for billing and collection of usage charges from Inter-State Transmission Services (ISTS) users. The amount of revenue of ₹ 1,726.78 million (March 31, 2022: ₹ 1,345.68 million) from power transmission projects in India is receivable from PGCIL.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Also in the power transmission and grid business, the Group executes engineering, procurement and construction (EPC) contracts for the subsidiaries of joint venture entities. During the current year, revenue from such EPC contracts includes revenue from Mumbai Urja Marg Limited amounting to ₹ 10,594.67 million (March 31, 2022: ₹ 5,227.27 million).

Under Point of Connection (PoC) mechanism, Power Grid Corporation of India Limited ('PGCIL') is designated as central transmission utility with the responsibility for billing and collecting of usage charges from Inter-State Transmission Services (ISTS) users in India. Hence, trade receivables of ₹ Nil (March 31, 2022: ₹ 343.48 million) pertaining to transmission charges is receivable from PGCIL.

NOTE 61: OTHER NOTES

(a) The Group has entered into a Framework Agreement with AMP Capital Infrastructure Investment No.2 S.A R.L. ('AMP Capital') dated December 28, 2020 ('the Framework Agreement') for investment in the subsidiaries of the Group which are engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India wherein the Group and AMP Capital (together referred as investors) each will own 50% of the equity capital of such entities. Both the investors would invest in equal proportions in the projects being developed in the form of equity capital, NCDs and other convertible instruments. The returns on sale of the projects post completion would be shared between the two investors in a graded manner in accordance with the Framework Agreement. There is no guaranteed minimum return to AMP Capital under the Framework Agreement.

Pursuant to the Framework Agreement and the respective Share purchase and Shareholders' agreements dated December 28, 2020 executed among the Company, AMP Capital, Sterlite Grid 14 Limited (SGL14)/Sterlite Grid 18 Limited (SGL18)/Sterlite Grid 5 Limited (SGL5)/Sterlite Grid 29 Limited (SGL29) and their respective project SPVs viz. Udupi Kasargode Transmission Limited / Lakadia-Vadodara Transmission Project Limited / Goa Tamnar Transmission Project Limited, on April 6, 2021, AMP Capital subscribed 50% of the paid up equity share capital of SGL14, SGL18 and SGL 29. AMP Capital also acquired NCDs of ₹ 285.53 million of SGL14, ₹ 1,046.13 million of SGL18 and ₹ 561.90 million of SGL29 from the Company for considerations of ₹ 313.84 million, ₹ 1,093.37 million and ₹ 658.95 million respectively. Accordingly, based on the inter-se rights available to the Group and AMP Capital under the aforesaid agreements and the equal equity shareholdings of both the investors, SGL14/SGL18/SGL29 have become joint ventures for the Group with effect from April 6, 2021.

(b) The Board of Directors of Sterlite Power Transmission Limited ('SPTL') in its meeting held on March 22, 2021 approved a Scheme of amalgamation of Sterlite Grid 4 Limited ('SGL 4'), a wholly owned subsidiary of the SPTL under the Companies Act, 2013 with the appointed date of April 1, 2020. After obtaining requisite approvals SPTL has filed the Scheme with National Company Law Tribunal ('NCLT'). NCLT has sanctioned the scheme vide its order dated February 17, 2022. SPTL has received certified copy of the order on February 28, 2022 which is filed with Registrar of Companies on ('Effective date').

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 62: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

(i) The Company has granted loans and made investment in its joint ventures, associates, subsidiaries, fellow subsidiaries, subsidiaries of joint ventures and associate of immediate holding company which have been utilised by them in ordinary course of business for further investment in their subsidiaires or for general corporate purpose. Details of the loans given and investments made during the year are as follows

March 31, 2023:

S. No.	Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
1	Sterlite Grid 13 Limited	Joint venture	U29309HR2018PLC111970	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in non-convertible debentures	Various Dates	787.39
2	Sterlite Grid 13 Limited	Joint venture	U29309HR2018PLC111970	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in equity	March 31, 2023	162.01
3	Sterlite Grid 14 Limited	Joint venture	U29300HR2018PLC113220	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Investment in non-convertible debentures	Novemeber 30, 2022	50.00
4	Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13,Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in compulsurly convertible debentures	Various Dates	794.70
5	Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230	Investment in compulsurly convertible debentures	Various Dates	125.00
6	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Fellow Subsidiary (till 9 March 2023)	U74110HR2014PTC101972	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	183.68
7	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Associate of immediate holding company (from 10 March 2023)	U74110HR2014PTC101972	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	March 18, 2023	200.00
8	Lakadia-Vadodara Transmission Project Limited	Subsidiary of joint venture	U40105HR2019GOI113221	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20, Gurugram HR 122008 IN	Loan Given	January 31, 2023	107.00

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

March 31, 2022:

S. No.	Name of intermediary	Relation with the company	CIN	Registered address	Nature of transaction	Date	Amount (₹ in million)
1	Sterlite Grid 13 Limited	Joint venture	U29309DL2018PLC337962	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13,Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in non-convertible debentures	Various Dates	507.87
2	Sterlite Grid 14 Limited	Joint venture	U29300DL2018PLC339426	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13,Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in equity	Various Dates	0.10
3	Sterlite Grid 14 Limited	Joint venture	U29300DL2018PLC339426	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13,Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in non-convertible debentures	Various Dates	228.72
4	Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13,Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in compulsurly convertible debentures	Various Dates	50.50
5	Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13,Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in equity	Various Dates	618.11
6	Sterlite Grid 18 Limited	Joint venture	U29110DN2019PLC005565	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230	Investment in non-convertible debentures	Various Dates	964.36
7	Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230	Investment in compulsurly convertible debentures	Various Dates	48.63
8	Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230	Investment in equity	Various Dates	389.69
9	Sterlite Grid 29 Limited	Joint venture	U40100DN2019PLC005578	Survey No. 99, Madhuban Dam Road, Village Rakholi, SILVASSA DADRA & NAGAR HAVELI DN 396230	Investment in non-convertible debentures	Various Dates	1,875.86
10	Serentica Renewables India Private Limited (Sterlite Power Technologies Private Limited)	Fellow Subsidiary	U74110HR2014PTC101972	DLF Cyber Park, Block B, 9th Floor, Udyog Vihar, Phase III, Sector- 20 Gurugram Gurgaon HR 122008 IN	Loan Given	Various Dates	35.00

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

(ii) In the current year, the Group has received funds from IIFL Asset Management ('Funding party') for investment in joint ventures ('Intermediary') and further to be invested in the project entities i.e. subsidiary of joint ventures ('Ultimate beneficiary') as follows:

Details of funds received

Sr No.	Name of the funding party	Relationship with funding party	CIN of funding party	Registered address	Nature of funding	Date of receipt	Amount received from funding party (₹ in million)
1.1	360 One Asset Management Limited (formerly known as IIFL Asset Management Limited)	None	U74900MH2010PLC201113	360 ONE Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400013	Non-Convertible Debentures	May 12, 2022	900.00

Details of payments

Sr No.	Name of the Intermediary	Relationship with Intermediary	CIN of the Intermediary	Registered address	Nature of payment	Date of payment	Amount paid to Intermediary (₹ in million)
1.1	Sterlite Grid 18 Limited	Joint Venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in Compulsory Convertible Debentures	8 June 2022	324.70
1.2	Sterlite Grid 18 Limited	Joint Venture	U29110DN2019PLC005565	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in Compulsory Convertible Debentures	24 August 2022	470.00

Details of payments

Sr No.	Name of the Ultimate Beneficiary	Relationship with Ultimate Beneficiary	CIN of the Ultimate Beneficiary	Registered address	Nature of payment	Date of payment	Amount paid to Ultimate Beneficiary (₹ in million)
1.1	Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	U40105DL2019GOI347349	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in equity shares	8 June 2022	293.84
1.2	Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	U40105DL2019GOI347349	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in Compulsory Convertible Debentures	8 June 2022	30.86
1.3	Lakadia-Vadodara Transmission Project Limited	Subsidiary of Joint Venture	U40105DL2019GOI347349	YC Co Working Space, 3rd Floor, Plot No. 94 Dwarka Sec 13, Opp. Metro Station Near Radisson Blu Delhi South West Delhi 110078	Investment in Compulsory Convertible debentures	25 August 2022	470.00

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

NOTE 63: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

(i) The Group has availed borrowings from the banks and financial institutions on the basis of security of current assets. The Group files the statement of current assets with the bank on periodical basis. Following are the discrepancies between books of accounts and quarterly statements submitted to the lenders, where borrowings have been availed based on security of current assets:

A. Sterlite Power Transmission Limited*:

1. Inventory

For the year ended March 31, 2023

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling Items: Material in transit (refer note 1)	Reconciling Items: Contract asset (refer note 2)	Reconciling Items: Others (refer note 3)	Amount as per books of accounts	Net difference
1	Jun-22	4,432.37	122.67	(1,613.37)	-	2,941.67	-
2	Sep-22	5,483.00	206.25	(1,282.71)	-	4,406.54	-
3	Dec-22	5,949.84	97.39	(1,624.07)	0.93	4,424.09	-
4	Mar-23	8,893.06	61.92	(2,448.90)	739.79	7,245.87	-

Note 1 Balances for material in transit were not considered in the quarterly statement submitted to the lenders.

Note 2 Balances for contract asset arising from EPC contracts which forms part of other current assets in the books of accounts were considered in inventory in the quarterly statement submitted to the lenders.

Note 3 Balances for Stores and spares, inventory packaging, others etc were not considered in the quarterly statement submitted to the lenders.

For the year ended March 31, 2022

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling Items: Provision for inventory (refer note 1)	Reconciling Items: Material in transit (refer note 2)	Reconciling Items: Contract asset (refer note 3)	Amount as per books of account	Net difference
1	Jun-21	4,102.05	-	-	(1,212.38)	2,889.67	-
2	Sep-21	3,979.32	(117.40)	-	(1,297.23)	2,564.69	-
3	Dec-21	4,311.53	-	2.41	(1,400.80)	2,913.14	-
4	Mar-22	3,391.74	-	305.09	(1,492.25)	2,204.57	-

Note 1 Balances for provision for inventory were not considered in the quarterly statement submitted to the lenders.

Note 2 Balances for material in transit were not considered in the quarterly statement submitted to the lenders.

Note 3 Balances for contract asset arising from EPC contracts which forms part of other current assets in the books of accounts were considered in inventory in the quarterly statement submitted to the lenders.

2. Trade payable

For the year ended March 31, 2023

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items: Provision for services and expenses (refer note 1)	Reconciling items: Advance to vendor (refer note 2)	Reconciling items: Trade payables for material in transit (refer note 3)	Reconciling items: Others (refer note 4 and 5)	Amount as per books of account	Net difference
1	Jun-22	8,005.25	2,325.89	985.55	122.60	(356.41)	11,082.88	-
2	Sep-22	9,347.39	1,770.38	1,167.16	206.18	(41.26)	12,449.84	-
3	Dec-22	10,793.44	1,900.38	1,397.80	97.32	(149.47)	14,039.48	-
4	Mar-23	14,254.91	1,564.92	1,452.00	588.94	(600.26)	17,260.51	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Note 1 Balance for payables for service and provision for expenses were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advance given to vendors which forms part of other current assets in the books of accounts were considered in trade payables in the quarterly statement submitted to the lenders.

Note 3 Balance of trade payables for material in transit not considered in the quarterly statement submitted to the lenders.

Note 4 Balance of short term borrowings which is not included in the trade payable in the quarterly return submitted to the lenders and inter business eliminations, non-goods payables are not considerded in the quarterly statement submitted to the lenders.

Note 5 For March 2023 quarter, statement submitted to lenders does not include balances related to corporate payables, service related payables of product business and interunit eliminations other than mentioned in note 4.

For the year ended March 31, 2022

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of account	Net difference
			Provision for services and expenses (refer note 1)	Advance to vendor (refer note 2)	Trade payables not backed by letter of credit (refer note 3)	Others (refer note 4)		
1	Jun-21	8,249.92	898.13	852.09	3,366.90	-	13,367.04	-
2	Sep-21	9,828.56	1,164.41	833.98	3,467.43	-	15,294.38	-
3	Dec-21	9,818.01	2,567.43	1,178.89	453.50	(314.80)	13,703.03	-
4	Mar-22	9,663.60	2,960.24	923.61	-	(549.89)	12,997.56	-

Note 1 Balance for payables for service and provision for expenses were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advance given to vendors which forms part of other current assets in the books of accounts were considered in trade payables in the quarterly statement submitted to the lenders.

Note 3 Balance of trade payables not backed by letter of credit were not considered in the quarterly statement submitted to the lenders.

Note 4 Balance of short term borrowings which is included in the trade payable in the quarterly return submitted to the lenders.

3. Trade receivables

For the year ended March 31, 2023

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of account	Net difference
			Provision for doubtful debts (refer note 1)	Advance from customers (refer note 2)	Trade receivables pertaining to finished goods in transit (refer note 4)	Others (refer note 3)		
1	Jun-22	2,362.23	(887.99)	9,513.81	-	(609.42)	10,378.63	-
2	Sep-22	3,970.32	(800.85)	9,902.95	-	(570.70)	12,501.72	-
3	Dec-22	4,933.50	(768.01)	9,986.68	-	(38.97)	14,113.21	-
4	Mar-23	10,244.32	(316.27)	8,278.78	-	(1,434.59)	16,772.24	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Note 1 Balance for provision for trade receivables were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advances received from customer and other contract liabilites which forms part of other liabilities in the books of accounts were considered in the quarterly statement submitted to the lenders.

Note 3 Others includes balance of unbilled revenue, other accruals and inter business elimination which were considered in the quarterly statement submitted to the lenders.

Note 4 For March 2023 quarter, statement submitted to lenders does not include provision for doubtful debts of EPC business and interunit eliminations other than mentioned in note 3.

For the year ended March 31, 2022

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items				Amount as per books of accounts	Net difference
			Provision for doubtful debts (refer note 1)	Advance from customers (refer note 2)	Trade receivables pertaining to finished goods in transit (refer note 4)	Others (refer note 3)		
1	Jun-21	3,093.62	384.18	5,956.00	-	-	9,433.80	-
2	Sep-21	3,801.15	(610.10)	7,731.96	760.00	-	11,683.01	-
3	Dec-21	6,304.77	(805.19)	8,228.68	-	(2,352.78)	11,375.48	-
4	Mar-22	7,625.43	(841.04)	8,213.97	-	(1,506.86)	13,491.50	-

Note 1 Balance for provision for trade receivables were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of advances received from customer which forms part of other liabilities in the books of accounts were considered in the quarterly statement submitted to the lenders.

Note 3 Others includes balance of unbilled revenue pertaining to subsidiary or contract asset which forms part of other assets in the books of accounts which were considered in the quarterly statement submitted to the lenders.

Note 4 Balance of receivables pertaining to the finished goods in transit were considered in the quarterly statement submitted to the lenders.

** State Bank of India, Axis Bank, Yes Bank, ICICI Bank, Corporation Bank, Bank of Maharashtra, IDBI Bank, Bank of Baroda, HDFC Bank, Union Bank of India, Federal Bank, RBL Bank, EXIM Bank, IndusInd Bank are the working capital lenders for Sterlite Power Transmission Limited to which the quarterly stock statements are submitted to the lenders at standalone level.*

B. Maharashtra Transmission Communication Infrastructure Limited (MTCIL):

MTCIL has availed working capital facility from the bank on the basis of security of current assets. MTCIL files the statement of current assets with the bank on periodical basis. There are no discrepancies between books of accounts and quarterly statements submitted to the lender. HDFC Bank is the working capital lender for MTCIL to which the quarterly stock statements are submitted.

1. Trade payable

For the year ended March 31, 2023

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Reconciling items		Amount as per books of accounts	Net difference
			Provision for services and expenses (refer note 1)	Others (refer note 2)		
1	Dec-22	19.04		-	19.04	-
2	Mar-23	0.70	20.02	(9.59)	30.31	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023
(All amounts in ₹ million unless otherwise stated)

Note 1 Balance for payables for service and provision for expenses were not considered in the quarterly statement submitted to the lenders.

Note 2 Balance of payable for Purchase of property, plant and equipment and management fee payable were not considered in trade payables in the quarterly statement submitted to the lenders.

2. Trade receivables
For the year ended March 31, 2023

S.No.	Quarter	Amount as reported in the quarterly return/ statement	Amount as per books of accounts	Difference
1	Dec-22	177.31	177.31	-
2	Mar-23	162.79	162.79	-

NOTE 64: ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (DIVISION II) OF THE ACT, AS AMENDED

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

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except that with State Bank of India for working capital facility that has been sanctioned to the Group against which the charge for additional security demanded by the bank has not been created before the end of the statutory period.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

(vi) The Group has not revalued its property, plant and equipment, right-of-use assets and intangible assets during the year ended March 31, 2023.

(vii) The Group has not been declared as a wilful defaulter during the year ended March 31, 2023.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

Sd/-
per Paul Alvares
Partner
Membership Number: 105754
Place: Mumbai
Date: August 11, 2023

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Sd/-
Pravin Agarwal
Chairman
DIN: 00022096
Place: Mumbai
Date: August 11, 2023

Sd/-
Pratik Agarwal
Managing Director
DIN: 03040062
Place: Mumbai
Date: August 11, 2023

Sd/-
Sanjeev Bhatia
Chief Financial Officer
PAN : ACTPB6336M

Place: Mumbai
Date: August 11, 2023

Sd/-
Ashok Ganesan
Company Secretary
PAN : AHYPK5104G

Place: Mumbai
Date: August 11, 2023

Definitions and Abbreviations

Term	Description
"our Company" or "the Company"	Sterlite Power Transmission Limited, a public limited company incorporated under the Companies Act, 2013 and having its registered office at 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune 411 001, Maharashtra, India and its corporate office at 9 th Floor, Block B DLF Cyber Park, Udyog Vihar, Okhla Industrial Estate Phase 3 Rd, Sector 20, Gurugram, Haryana 122008
"we", "us", "our" or "Group"	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries. Where the context indicates, refers to the Associates, Investee HoldCos and Investee SPVs as well
AMP Capital	AMP Capital Infrastructure Investment No.2 S.A.R.L
AMP Framework Agreement	Restated framework agreement dated March 30, 2021 entered into between our Company and AMP Capital
AMP Investment Agreements	Four investment agreements dated December 28, 2020, as amended on March 30, 2021, entered into between (i) our Company, AMP Capital, SGL13 and VNLTL; (ii) our Company, AMP Capital, SGL14 and UKTL; (iii) our Company, AMP Capital, SGL18 and LVTPL; and (iv) our Company, AMP Capital, SGL5, SGL29 and GTTPL
Articles of Association or AoA	Articles of association of our Company, as amended
Associates	Associates as consolidated in restated consolidated summary statements as per the relevant Ind AS 28 in the relevant reporting period
Audit Committee	Audit committee of our Board, as described in the section entitled "Our Management - Committees of the Board"
Auditors or Statutory Auditors	S R B C & CO LLP, Chartered Accountants, the statutory auditors of our Company
BDTCL	Bhopal Dhule Transmission Company Limited
Board or Board of Directors	Board of directors of our Company or a duly constituted committee thereof
Group Chief Financial Officer or Group CFO	Chief Financial officer of our Company, Sanjeev Bhatia
Company Secretary	Company secretary of our Company, Ashok Ganesan
Corporate Promoter	Twin Star Overseas Limited
Demerger Scheme	Scheme of arrangement entered into between our Company and STL and their respective shareholders and creditors which was approved and sanctioned by the High Court of Bombay by way of its order dated April 22, 2016
Director(s)	Directors on our Board
ENICL	East-North Interconnection Company Limited
GPTL	Gurgaon Palwal Transmission Limited
Group Companies	The group companies of our Company identified in terms of Regulation 2(1)(t) of the SEBI ICDR Regulations, including companies (other than the Corporate Promoter and the Subsidiaries) with which there were related party transactions as disclosed in the Restated Consolidated Summary Statements as covered under the applicable accounting standards, and any other companies as considered material by the Board, in accordance with the resolution dated August 7, 2021 passed by the Board, as described in the section entitled "Our Group Companies"
GTTPL	Goa-Tamnar Transmission Project Limited
IGL	IndiGrid Limited (formerly, Sterlite Grid 1 Limited)
KTL	Khargone Transmission Limited
LVTPL	Lakadia-Vadodara Transmission Project Limited
NER	NER II Transmission Limited
SPGVL	Sterlite Power Grid Ventures Limited
STL	Sterlite Technologies Limited
UKTL	Udupi Kasargode Transmission Limited
MUML	Mumbai Urja Marg Limited (Erstwhile Vapi II - North Lakhimpur Transmission Limited)

Technical/Industry Related Terms or Abbreviations

Term	Description
ANEEL	Agência Nacional de Energia Elétrica
BOOM	Build, own, operate and maintain
COD	Commercial Operations Date
CRISIL / CRISIL Research	CRISIL Research, a division of Credit Rating Information Services of India Limited
CRISIL Report	Report entitled “CRISIL Research - Indian Power & Transmission Sector” released in Mumbai in July 2021
DISCOM	Distribution companies
EHS	Environment, Occupational Health and Safety
EHV	extra high voltage
EPA or Environment Protection Act	Environment Protection Act, 1986
Fitch	Fitch Solutions Group Limited
Fitch Report	Report entitled “Brazil Power Report” issued by Fitch dated June 2021
HVDC	High Voltage Direct Current
HVPNL	Haryana Vidyut Prasaran Nigam Limited
MoP	Ministry of Power
MVA	Mega Volt Ampere
PGCIL	Power Grid Corporation of India Limited
PoC	Point of Connection
POSOCO	Power System Operation Corporation Limited
RSA	Revenue Sharing Agreement
SCOD	Schedules Commercial Operations Date
SEB(s)	State Electricity Boards
TBCB	Tariff Based Competitive Bidding
TEECL	Techno Electric & Engineering Company Limited
TSA	Transmission Services Agreement

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
£/Pounds	Pound Sterling
AGM	Annual General Meeting
BRL/Real/R$	Brazil Real
CRISIL Report	Report entitled “CRISIL Research - Indian Power & Transmission Sector” released in Mumbai in July 2021
DISCOM	Distribution companies
EHS	Environment, Occupational Health and Safety
EHV	extra high voltage
EPA or Environment Protection Act	Environment Protection Act, 1986
Fitch	Fitch Solutions Group Limited
Fitch Report	Report entitled “Brazil Power Report” issued by Fitch dated June 2021
HVDC	High Voltage Direct Current
HVPNL	Haryana Vidyut Prasaran Nigam Limited
MoP	Ministry of Power
MVA	Mega Volt Ampere
PGCIL	Power Grid Corporation of India Limited
PoC	Point of Connection
POSOCO	Power System Operation Corporation Limited
RSA	Revenue Sharing Agreement
SCOD	Schedules Commercial Operations Date
SEB(s)	State Electricity Boards
TBCB	Tariff Based Competitive Bidding
TEECL	Techno Electric & Engineering Company Limited
TSA	Transmission Services Agreement

Notes

Notes

Sterlite Power

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Udyog Vihar Phase III, Sector 20, Gurugram,
Haryana - 122008
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