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OPG Power Ventures plc
30 September 2022

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OPG Power Ventures plc

("OPG", the "Group" or the "Company")

Final results for the year ended 31 March 2022

OPG (AIM: OPG), the developer and operator of power generation assets in India, announces its final results for the year ended 31 March 2022 ("FY22").

FY22 Summary:

- FY22 revenue decreased by 14.66 per cent to £80.1 million from £93.8 million in FY21 primarily due to Covid-19 related disruptions and increased coal prices in second half of FY22 due to ongoing global conflict.
- Total generation (including deemed) in FY22 was nearly 1.9 billion kWh, 11.0 per cent lower than last year's generation of nearly 2.1 billion kWh.
- Adjusted EBITDA of £21.6 million (27.0 per cent margin) as compared with £33.7 million (36.0 per cent margin) in FY21.
- Profit before tax from continued operations was £13.0 million as compared to £21.6 million in FY21.
- Basic earnings per share 1.5 pence in FY22 as compared to 3.5 pence in FY21.
- Net debt reduced from £16.24 million in FY21 to £6.9 million in FY22.

Unless specified, all figures in £ million	FY22	FY21
Revenue	80.1	93.8
Other Operating Income	-	9.4
Adjusted EBITDA	21.6	33.7
Profit before tax from continuing operations	13.0	21.6
Profit/(Loss) from discontinued operations, incl. NCI	(2.9)	1
Profit for the year	6.0	14.1
Earnings per share (pence)	1.5	3.5
Net debt	6.9	16.2
Net debt to Adjusted EBITDA (ratio)	0.3	0.5
Total generation (including deemed) (billion kWh)	1.9	2.1

Current developments and highlights

- Plant Load Factor ("PLF") including 'deemed' for the five-month period to 31 August 2022 was low at 28.6 per cent as OPG continues to focus on profitability and an optimising Plant Load Factor (PLF) with a mix of long term and short term Power Purchase Agreements (PPA) with the State Utility, supply to captive shareholders and supply through Exchange and coal sales.
- Due to prevalent high coal prices, State Utility has approved the pass through of the fuel prices until December 2022, under long term PPA.
- Average tariff for the five months period to 31 August 2022 was Rs. 9.15, up 69 per cent (FY21: Rs. 5.42) due to pass through of high coal prices by the State Utility and short-term supply contract awarded by State Utility.
- International coal prices continue to be high due to the ongoing global conflict coupled with demand from China and Europe.

Indian Economy update

- According to the World Economic Report, the Indian Economy is expected to grow by 8.2 per cent in FY23.
- The power demand in the country is expected to grow at 6.5 per cent between FY22 and FY24 according to the Central Electricity Authority
- The deadline for meeting emission norms for the majority of coal-based power plants in India, has been extended from December 2024 to December 2026.

Mr. Kumar, Non-Executive Chairman said:

"*We are proud to report that, despite the challenges of Covid 19 and the global supply disruption due to Russia Ukraine conflict, OPG has demonstrated an excellent performance which was comfortably in line with FY22 market expectations and has also delivered a significant reduction in net debt during the year.*"

The Company's annual report and accounts for the year ended 31 March 2022 is available on the Company's website at www.opgpower.com/and will be sent to shareholders shortly.

For further information, please visit www.opgpower.com or contact:

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Chairman's Statement

Resilience, robust profitability and strong cash generation

FY22 has been a challenging year. As the world and the global economy was recovering from Covid-19, the war in Ukraine dented sentiment with a sharp increase in global energy prices. Despite a challenging year, OPG has continued to deliver strong cash generation, robust profitability and achieve a significant reduction in net debt.

The unprecedented health crisis, caused by Covid-19, took an immense human and economic toll globally. At OPG, we responded immediately with a comprehensive Covid-19 response plan - putting in place health and safety measures to protect our employees, continuing to run our plant operations smoothly to ensure supply of electricity to our consumers, and providing essential support and assistance to our local communities in need. Yet, even in such critical circumstances, our Group has emerged strong, reporting solid set of financial results and paving pathways for accelerated and sustainable future growth.

The plants' generation, including deemed generation, during FY22 was 1.9 billion units which is an 11.0 per cent reduction in generation in comparison with FY21 primarily due to the increase in coal prices. The average Plant Load Factor ("PLF") in FY22 (including deemed) was at 52 per cent (FY21: 58 per cent) and the average realised tariff was Rs. 5.82 (FY21: Rs.5.72) per kilowatt hour.

In FY22, the Group's revenue was £80.1 million (FY21: £93.8 million) and Adjusted EBITDA was £21.6 million (FY21: £33.7 million) and profit for the year was £6.0 million (FY21: £14.1 million).

We are glad to report that OPG was comfortably in line with FY22 market expectations despite the difficult market conditions.

Creating shareholder value through deleveraging

In 2018, the Board took the decision to focus on our profitable, long-life assets in Chennai, and to prioritise deleveraging as a method to grow shareholders' equity. This strategy, we believe, will deliver value to shareholders with free cash flows providing significant returns to our shareholders and further opportunities to grow the business.

During the period FY20 - FY22 net debt reduced significantly from £53.4 million to £16.2 million and then to £6.9 million. Net debt to Adjusted EBITDA ratio reduced from 1.7x to 0.5x and further to 0.3x demonstrating the robustness of OPG's financial position. The Group remains amongst the least leveraged power companies in India.

The Board remains convinced, especially in light of the Covid-19 challenges, that our strategy of maintaining operational excellence and paying down expensive borrowings is the right one to pursue for all our stakeholders.

Maximising stakeholders' long-term value

One of OPG's paramount objective is to maximise stakeholders' long-term value. In light of disruptions and uncertainty caused by Covid-19 and extraordinary volatility in coal prices and freight over the past year and a half, the Board believes that it is in the best interest of the Group and its stakeholders to conserve cash. The cash thus conserved will be utilized for repaying debt, growing ESG focused projects and maintaining a strong and resilient balance sheet to withstand the turbulent times.

Building a sustainable future

Rapid growth in urbanisation, universal electrification, and a renewable energy transition driven by climate change, mean that India's incremental power needs is targeted to largely be met by renewable energy. Our business strategy is aligned with this, offering us an opportunity to unlock value for all our stakeholders in the years to come. OPG has developed its ESG strategy, which, among other matters, includes objectives to reduce its carbon footprint. As part of this strategy, the Group is evaluating various options to increase its renewable energy asset base and to establish joint ventures to roll out various energy transition technologies. These initiatives will ensure that OPG delivers year-on-year improvements to reach the Group's emissions reduction targets in the medium and longer-term.

We are pleased to present our second standalone ESG report which pertains to FY22 and summarises the objectives, activities, and the performance of the Group from an ESG perspective. This report includes examples of how we have demonstrated our commitments and applied our management approach on a range of ESG topics, including environmental stewardship, health & safety, relationship with local community, and governance.

Indian Economy and Power Sector Update

India is the third largest producer and third largest consumer of electricity in the world with installed power capacity reaching 400 GW as at March 2022. In FY22, even amidst a relatively weaker macroeconomic scenario, peak power demand hit an all-time high of 200.5 GW. On account of a record-breaking heat wave in North India, the peak power demand has already touched 210.8 GW in the current financial year.

In June 2022, the World Bank's Global Economic Outlook projected India's FY23 (CY22) economic growth forecast at 7.5 per cent, supported by plans for higher spending on infrastructure, rural development and health services as well as stronger-than-expected recovery in services. FY24 (CY23) is forecasted at 7.1 per cent, amongst the highest growth rates.

During FY22, power consumption increased by 9.5 per cent to 1,392.1 BU from 1,271.5 BU. ICRA, which is a leading ratings agency in India estimates that India's electricity demand is expected to grow up to 6.5 per cent in FY23 on a year-on-year basis.

Over the last several months the prices of thermal coal and freight have surged sharply primarily due to increased imports of coal and other goods by China and other Asian countries on the back of post Covid-19 economic recovery. Whilst OPG is partially covered from increases in prices with fixed price agreements for coal and freight, the Group remains exposed to market fluctuations for the unhedged portion of coal consumption and freight. The Group continues to explore various options including sourcing the coal from other geographies (including domestic sources) to reduce the per unit cost of electricity.

Outlook

Since April 2022, the prices of thermal coal and freight have increased significantly due to geo-political tensions. Coal prices may not reduce significantly in the short term.

While challenges to the economy will continue in FY23, the Group has strong foundations, allowing us both to manage the ongoing Covid-19 situation and to pursue growth sustainably. The Group's medium and long-term fundamentals remain unchanged. We have strong cash flows which will enable OPG to continue to reduce and deliver our long-term profitable business model of responsible growth and sustainable returns to shareholders. We will also continue to focus on advancing our ESG agenda.

I would like to extend my gratitude to all our employees who overcame challenges posed by the pandemic, as well as vendors, banks and all stakeholders, especially our shareholders, for the incredible support we have received during these unprecedented and extraordinary times.

N. Kumar

Chairman

28 September 2022

Financial Review

The following is a commentary on the Group's financial performance for the year.

Income statement

Year ended 31 March	**2022 £m**	**% of revenue**	**2021 £m**	**% of revenue**
Revenue	£80.1		£93.8	
Cost of revenue (excluding depreciation)	(£56.5)		(£56.9)	
Gross profit	**£23.6**	**29.4**	**£36.9**	**39.4**
Other operating income	£0.0		£9.4	
Other income	£8.1		£1.9	
Distribution, General and Administrative expenses, ECL (excluding depreciation, employee stock option charge)	(£10.0)		(£14.5)	
Adjusted EBITDA	**£21.6**	**27.0**	**£33.7**	**36.0**
Share based compensation	(£0.2)		(£0.5)	

Depreciation Net finance costs	(£5.3) (£3.1)		(£5.7) (£5.9)	
Profit before tax from continuing operations	**£13.0**	**16.2**	**£21.6**	**23.0**
Taxation	(£4.1)		(£8.4)	
Profit after tax from continuing operations	**£8.9**	**11.1**	**£13.1**	**14.0**
(Loss)/Profit from discontinued operations, including Non-Controlling Interest	(£2.9)		£1.0	
Profit for the year	**£6.0**	**7.5**	**£14.1**	**15.0**

Note: Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Revenue

FY22 has been a tough year for OPG. The Group's revenues decreased by £13.8 million (a 14.7 per cent decline) in FY22 primarily driven by the impact of Covid-19 in the first half and high coal prices in the second half of FY22. The Group decreased generation and consequently sales to captive power users because of the unprecedented increase in costs. Adjusted EBITDA in FY22 at £21.6 million was 27.0 per cent of revenues as compared to 36 per cent last year.

The average tariff realized in FY22 was Rs. 5.60/kWh, marginally higher than previous year's Rs. 5.52/kWh. Total generation including deemed was 1.87 Bn units, a decline of 11.3 per cent over last year's 2.1 Bn units. This reduction was primarily because of the second Covid-19 wave that affected India and the high coal prices in the second half. The increase in coal prices was due to higher demand for coal from China, Europe, excessive rains in the Q3FY22 and later on, the export ban on coal in Q4FY22 in Indonesia.

The production and output levels from the Group's operating power plants compared to the prior years were as follows:

	FY22	**FY21**
Total generation, incl. "deemed" generation (million units)	1,868	2,107
Plant Load Factor (PLF) (%)*	52	58
Average tariff (INR/unit)	5.60	5.52

* Unit 3: "Deemed" PLF (%) has been included.

Gross Profit

The Gross Profit (GP) for the year was £23.6 million (29.4 per cent of revenue). On y-o-y basis (FY21 - £36.9 million (39.4 per cent of revenue)), the gross profit declined by 36 per cent reflecting the impact of high Indonesian coal prices.

The cost of revenue represents fuel costs. The table below shows average price of coal consumed in FY22 and FY21.

Average price of coal consumed	**FY22**	**FY21**
Average price of coal consumed (₹/mt)	₹ 5,460	₹ 4,127
Average price of coal consumed (₹ / mKCal)	₹1,328	₹991
Per cent change in average price of coal consumed (₹/mt)	32.3	(4.1)
Per cent change in the average price of coal consumed (₹ / mKCal)	34.0	(3.6)

Adjusted EBITDA

Adjusted earnings before interest, taxation, depreciation and amortisation ('Adjusted EBITDA') is a measure of a business' cash generation from operations before depreciation, interest and exceptional and non-standard or non- operational charges, e.g. share based compensation, etc. Adjusted EBITDA is useful to analyse and compare profitability among periods and companies, as it eliminates the effects of financing and capital expenditures.

Adjusted EBITDA for FY22 was £21.6 million, a decrease of 36 per cent from £33.7 million in FY21 primarily because of increase in international coal prices.

Profit from continuing operations before tax was £13.0 million (16.2 per cent of revenue) as compared to £21.6 million (23.0 per cent of revenue) in FY21 primarily because of increase in international coal prices.

Profit before Tax (PBT) reconciliation for FY22 (£m)

PBT FY22	£13.0
PBT FY21	£21.6
Increase (Decrease) in PBT	**(£8.6)**
Decrease in GP	(£13.4)
Decrease in Other Operating Income	(£9.4)
Increase in Other Income	£6.1
Decrease in Distribution, General & Administrative Expenses, Expected Credit Loss	£4.9
Decrease in Net Finance Costs	£2.9
Decrease in Depreciation and Amortisation	£0.4
Increase (Decrease) in PBT	**(£8.6)**

Taxation

The Company's operating subsidiaries are under a tax holiday period but are subject to Minimum Alternate Tax ('MAT') on their accounting profits. Taxes paid under MAT can be offset against future tax liabilities arising after the tax holiday period. The tax expense during the year was £4.1 million.

Profits after tax from continuing operations

Profits after tax from continuing operations has decreased by 32.1 per cent or £4.2 million from £13.1 million to £8.9 million. The decrease was in line with H1FY22 forecasts.

Assets held for sale and loss from discontinued operations - 62 MW Karnataka solar projects

In FY18, four Karnataka solar projects (62 MW) were commissioned. OPG has a 31 per cent equity interest in these projects.

During FY19, the Group obtained a right to exercise an option to buy an additional 30 per cent equity interest in solar companies. Effective from FY20 this right was assigned to a third party and from FY21 the remaining related obligations and the results of the operations of the solar companies are not consolidated in the Group's consolidated financial statements due to loss of control. As previously reported, after evaluation of all options, the Group decided that the most efficient way to maximise shareholders' value from the solar operations was to divest its' stake in the solar companies. The process of disposing the assets satisfy all conditions of IFRS 5. Therefore, the solar assets have been classified as "Assets held for sale" as on 31 March 2022. The completion of the disposal process was impacted by Covid-19.

OPG in its endeavour to sell the solar assets continues to identify potential buyers. Based on the term sheet received from potential buyer, the Group's investment in the solar companies was valued at £13.5 million as compared to OPG's initial investment of £16.4 million. This loss of £2.9 million is recognized as loss from discontinued operations on account of the diminution in the value of investment. The management is evaluating and actively considering the offer received from the potential buyer.

Earnings per Share (EPS)

The group's total reported EPS decreased from 3.5 pence in FY21 to 1.5 pence in FY22.

Dividend policy

One of OPG's paramount objectives is to maximise stakeholders' long-term value. Keeping in mind, the disruptions and uncertainty caused by Covid-19 and extraordinary volatility in coal prices and freight, the Board believes that it is in the best interests of the Group and its stakeholders to conserve cash. The cash thus accumulated will be used to repay debt, to fund growth in relation to ESG focused projects and to maintain a strong and resilient balance sheet to withstand turbulent times. Therefore, the Board decided not to declare a dividend for FY22. The Board will revisit the Group's dividend policy in due course.

Foreign exchange gain/loss on translation

The British Pound to Indian Rupee exchange rate appreciated to a closing rate of £1= Rs. 99.37 on 31 March 2022 from a rate of £1= Rs. 100.81 on 31 March 2021 thereby resulting in a gain of £2.3 million. The same has been recognized under "Exchange differences on translating foreign operations".

Property, plant and equipment

The increase in net book value of our property, plant and equipment to £173.4 million principally relates to additions during the year offset by depreciation and foreign exchange impact during the year.

Other non-current assets

Other non-current assets (excluding property, plant and equipment & intangible assets) have increased by £4.3 million. The major components of this increase was in the non-current portion of restricted cash (up £2.2 million) represented by investments in mutual funds and fixed deposits maturing after twelve months of £10.4 million (2021: £8.2 million) allocated to debenture redemption fund and OPG's strategic investment in Atsuya Technologies Private Limited totalling to £2.1 million (Rs. 210.0 million). The debenture redemption fund was created to repay the non-convertible debentures of £20.1 million (Rs. 2.0 billion) which are repayable in FY24.

Current assets

Current assets have decreased by £4.4 million from £74.5 million to £70.1 million year on year primarily as a result of the following:

- decrease in Assets held for sale by £2.9 million due to diminution in the value of investments in the solar companies.
- decrease in trade receivables by £6.2 million as a result of strong collections from the Group's captive power users and customers, including old receivable balances.
- decrease in inventories by £1.7 million on account of consumption and sale of coal.
- increase in other short-term assets by £8.4 million primarily due to increase in investments in mutual funds to £18.2 million (2021: £13.3 million) and advances to vendors of £6.2 million (2021: £2.4 million).
- decrease in cash balances (including restricted cash) by £2.1 million.

Liabilities

Current liabilities have marginally increased by £0.2 million from £38.2 million to £38.4 million year on year. Bank borrowings increased by £8.9 million from £4.5 million to £13.4 million. Trade payables decreased by £8.1 million from £32.5 to £24.4 million.

Non-current liabilities have decreased by £8.1 million primarily due to decrease in the non-current portion of borrowings by £12.5 million from £22.3 million to £9.8 million. Deferred Tax liabilities have increased from £13.0 million to £17.0 million.

Financial position, debt, gearing and finance costs

As at 31 March 2022, total borrowings were £43.3 million (31 March 2021: £46.6 million). The gearing ratio, net debt (i.e. total borrowings minus cash and current and non-current investments in mutual funds)/(equity plus net debt), was 3.9 per cent (31 March 2021: 9.1 per cent). The gearing ratio is a useful measure to identify the financial risk of a company.

OPG's NCDs are repayable in June 2023 and have an interest coupon of 9.85 per cent. The issue of the NCDs had a material positive impact upon the Group's cash flow during the uncertain Covid-19 impacted period, through a significant deferment of principal payments and the NCDs' interest coupon being lower by c.1 per cent in comparison with the existing term loans interest rate.

During FY22 net debt (total borrowings minus cash and current and non-current investments in mutual funds) reduced from £16.3 million to £6.9 million and net debt to Adjusted EBITDA ratio reduced from 0.5x to 0.3x as a result of the repayment of term loans and working capital loans as well as strong cash collections achieved during the year. This demonstrates the robustness of OPG's financial position. The Group remains amongst the least leveraged power companies in India.

Based on the present term loans repayment schedule, the Group is expected to be term loan free during June 2024.

Finance costs have decreased by £1.4 million from £6.8 million in FY21 to £5.4 million in FY22. This was primarily due to the impact of decrease in foreign exchange losses and reduction in interest expenses following scheduled repayments of the term loans and the issuance of the NCDs.

Finance income increased from £0.9 million in FY21 to £2.3 million in FY22. This has resulted in a decrease of £2.8 million in Net Finance Costs from £5.9 million in FY21 to £3.1 million in FY22.

Current restricted cash representing deposits maturing between three to twelve months amounted to £2.4 million (FY21: £3.2 million) which have been pledged as security for Letters of Credit.

Non-current restricted cash represents investments in mutual funds of £8.8 million (31 March 2021: £8.2 million) and fixed deposits of £1.6 million (31 March 2021: £0.01 million). These non-current investments have a maturity period in excess of twelve months and are allocated to the debenture redemption fund which is earmarked towards the redemption of non-convertible debentures scheduled during FY24 of £20.1 million (`2.0 billion).

Cash flow

Cash flow from continuing operations before and after changes in working capital were £21.6 million (FY21: £36.8 million) and £16.3 million (FY21: £40.2 million) respectively. Net cash flow from operating activities decreased from

£40.2 million in FY21 to £16.3 million in FY22, a decrease of £23.8 million, primarily due to decrease in trade payables and other liabilities.

Movements (£m)	FY22	FY21
Operating cash flows from continuing operations before changes in working capital	**£21.6**	**£36.8**
Tax paid	(£0.0)	(£0.7)
Change in working capital assets and liabilities	(£5.2)	£4.1
Net cash generated by operating activities from continuing operations	**£16.3**	**£40.2**
Purchase of property, plant and equipment (net of disposals)	(£3.5)	(£0.5)
Investments (purchased)/sold, incl. in solar projects, shipping JV, market securities, movement in restricted cash and interest received#	(£5.7)	(£29.0)
Net cash (used in)/from continuing investing activities	**(£9.2)**	**(£29.5)**
Finance costs paid, incl. foreign exchange losses	(£4.5)	(£5.8)
Dividend paid	-	-
Total cash change from continuing operations before net borrowings	**£2.6**	**£4.9**

Includes purchase of investments in mutual funds and other market securities of £10 million included in restricted cash and other short term assets in the statement of financial position.

Ajit Pratap Singh

Chief Financial Officer,

28 September 2022

Consolidated statement of financial position As at 31 March 2022
(All amount in £, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021

Assets			
Non-current assets			
Intangible assets	14	11,810	2,394
Property, plant and equipment	15	173,369,128	172,716,040
Right-of-use assets	15	36,548	-
Investments		2,113,307	-
Other long-term assets	16	12,140	69,853
Restricted cash	19	10,427,847	8,194,412
		185,970,780	**180,982,699**
Current assets			
Inventories	18	10,465,820	12,186,644
Trade and other receivables	17	8,607,935	14,829,989
Other short-term assets	16	26,182,923	17,805,554
Current tax assets (net)		1,250,086	1,131,342
Restricted cash	19(b)	2,392,104	3,219,356
Cash and cash equivalents	19(a)	7,691,392	8,920,952
Assets held for sale	7(a), 7(b)	13,497,027	16,425,368
		70,087,287	**74,519,205**
Total assets		**256,058,067**	**255,501,904**
Equity and liabilities			
Equity			
Share capital	20	58,909	58,909
Share premium	20	131,451,482	131,451,482
Other components of equity		(10,221,248)	(12,735,470)
Retained earnings		47,904,448	41,910,280
Equity attributable to owners of the Company		**169,193,591**	**160,685,201**
Non-controlling interests		872,663	881,869
Total equity		**170,066,254**	**161,567,070**
Liabilities			
Non-current liabilities			
Borrowings	22	9,759,610	22,260,206
Non-Convertible Debentures	22	20,126,738	19,840,089
Trade and other payables	23	630,358	607,702
Other liabilities		36,228	-
Deferred tax liabilities (net)	13	17,029,927	12,994,371
		47,582,861	**55,702,368**
Current liabilities			
Borrowings	22	13,399,429	4,510,358
Trade and other payables	23	24,440,324	32,495,799
Other liabilities		569,199	1,226,309
Liabilities classified as held for sale		7(b)	
- -			
		38,408,952	**38,232,466**
Total liabilities		**85,991,813**	**93,934,834**
Total equity and liabilities		**256,058,067**	**255,501,904**

The notes are an integral part of these consolidated financial statements.

The financial statements were authorised for issue by the board of directors on 28 September 2022 and were signed on its behalf by:

N Kumar Non-Executive Chairman1	Arvind Gupta Chairman1	Dmitri Tsvetkov Chief Financial Officer2	Ajit Pratap Singh Chief Financial Officer2

1 Effective 4 April 2022. Mr Arvind Gupta step down from the Board and Mr N. Kumar appointed as Non-executive Chairman

2 Effective 31 May 2022. Mr Dmitri Tsvetkov step down from the Board and Mr Ajit Pratap Singh appointed as Chief Financial Officer

Consolidated statement of Comprehensive Income for the Year ended 31 March 2022

(All amount in £, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue	8	80,067,032	93,823,933
Cost of revenue	9	(56,500,964)	(56,893,065)
Gross profit		**23,566,068**	**36,930,868**
Other Operating income	10(a)	-	9,420,712
Other income	10(b)	8,054,865	1,921,546
Distribution cost		(3,894,563)	(4,791,056)
General and administrative expenses		(6,316,484)	(7,256,153)
Expected credit loss on trade receivables	28	-	(3,025,055)
Depreciation and amortization		(5,333,531)	(5,705,538)
Operating profit		**16,076,355**	**27,495,324**
Finance costs	11	(5,356,089)	(6,803,137)
Finance income	12	2,285,364	868,439
Profit before tax		**13,005,630**	**21,560,626**
Tax expense	13	(4,097,184)	(8,447,699)
Profit for the year from continued operations		**8,908,446**	**13,112,927**
(Loss)/Gain from discontinued operations, including Non-Controlling Interest	7	(2,928,341)	999,398
Profit for the year		**5,980,105**	**14,112,325**
Profit for the year attributable to:			
Owners of the Company		5,994,168	14,091,807
Non - controlling interests		(14,063)	20,518
		5,980,105	**14,112,325**
Earnings per share from continued operations			
Basic earnings per share (in pence)	25	2.23	3.27
Diluted earnings per share (in pence)		2.23	3.25
Earnings/(Loss) per share from discontinued			

operations	25	(0.73)	0.25
Basic (Loss)/Earnings per share (in pence) / Diluted (Loss)/Earnings per share (in pence)		(0.73)	0.25
Earnings per share			
-Basic (in pence)	25	1.50	3.52
-Diluted (in pence)		1.50	3.50
Other comprehensive income / (loss)			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		2,319,444	(12,860,261)

Consolidated statement of changes in equity

For the Year ended 31 March 2022

(All amount in £, unless otherwise stated)

	Issued capital (No. of shares)	Ordinary shares	Share premium	Other reserves	Foreign currency translation reserve	Retained earnings	Total attributable to owners of parent	Non-controlling interests	Total equity
At 1 April 2020	**400,733,511**	**58,909**	**131,451,482**	**7,486,127**	**(8,809,114)**	**27,818,474**	**158,005,878**	**497,955**	**158,503,833**
Employee Share based payment LTIP (Note 21)	-	-	-	535,247	-	-	535,247	-	535,247
Transaction with owners	**-**	**-**	**-**	**535,247**	**-**	**-**	**535,247**	**-**	**535,247**
Profit for the year	-	-	-	-	-	14,091,806	14,091,806	20,518	14,112,324
Deconsolidation (note 7b)	-	-	-	-	912,531	-	912,531	376,718	1,289,249
Other comprehensive loss	-	-	-	-	(12,860,261)	-	(12,860,261)	(13,322)	(12,873,583)
Total comprehensive income	**-**	**-**	**-**	**-**	**(11,947,730)**	**14,091,806**	**2,144,076**	**383,914**	**2,527,990**
At 31 March 2021	**400,733,511**	**58,909**	**131,451,482**	**8,021,374**	**(20,756,844)**	**41,910,280**	**160,685,201**	**881,869**	**161,567,070**
At 1 April 2021	**400,733,511**	**58,909**	**131,451,482**	**8,021,374**	**(20,756,844)**	**41,910,280**	**160,685,201**	**881,869**	**161,567,070**
Employee Share based payment LTIP (Note 21)	-	-	-	194,778	-	-	194,778	-	194,778
Transaction with owners	**-**	**-**	**-**	**194,778**	**-**	**-**	**194,778**	**-**	**194,778**
Profit for the year	-	-	-	-	-	5,994,168	5,994,168	(14,063)	5,980,105
Other comprehensive income	-	-	-	-	2,319,444	-	2,319,444	4,857	2,324,301
Total comprehensive income	**-**	**-**	**-**	**-**	**2,319,444**	**5,994,168**	**8,313,612**	**(9,206)**	**8,304,406**
At 31 March 2022	**400,733,511**	**58,909**	**131,451,482**	**8,216,152**	**(18,437,400)**	**47,904,448**	**169,193,591**	**872,663**	**170,066,254**

The notes are an integral part of these consolidated financial statements

Consolidated statement of cash flows For the Year ended 31 March 2022

(All amount in £, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities			
Profit before income tax including discontinued operations		**10,077,289**	**22,560,024**
Adjustments for:			
(Profit) / Loss from discontinued operations, net	7	2,928,341	(999,398)
Unrealised foreign exchange loss	9(d)	184,880	46,931
Financial costs	11	5,171,209	6,756,206
Financial income	12	(2,285,364)	(864,156)
Share based compensation costs	21	194,778	535,247
Depreciation and amortisation		5,333,531	5,705,538
Expected credit loss on Trade receivables	28	-	3,025,055
Changes in working capital			
Trade and other receivables		6,294,982	7,404,759
Inventories		1,854,857	(1,654,539)
Other assets		(3,283,261)	4,976,235
Trade and other payables		(9,121,460)	(7,106,516)
Other liabilities		(969,676)	490,713

Cash generated from continuing operations	**16,380,106**	**40,876,099**
Taxes paid	(48,554)	(709,277)
Cash provided by operating activities of continuing operations	16,331,552	40,166,822
Cash used for operating activities of discontinued operations	-	-
Net cash provided by operating activities	**16,331,552**	**40,166,822**
Cash flows from investing activities		
Purchase of property, plant and equipment (including capital advances)	(3,534,707)	(506,222)
Interest received	2,285,364	864,156
Movement in restricted cash	(1,213,769)	(4,655,096)
Purchase of investments	(6,760,520)	(25,250,994)
Cash used in investing activities of continuing operations	(9,223,632)	(29,548,156)
Net cash used in investing activities	**(9,223,632)**	**(29,548,156)**
Cash flows from financing activities		
Proceeds from borrowings (net of costs)	-	21,981,043
Repayment of borrowings	(3,909,695)	(27,938,844)
Finance costs paid	(4,528,565)	(5,812,498)
Cash used in financing activities of continuing operations	(8,438,260)	(11,770,299)
Cash used in financing activities of discontinued operations	-	-
Net cash used in financing activities	**(8,438,260)**	**(11,770,299)**
Net decrease in cash and cash equivalents from continuing operations	(1,330,340)	(1,151,633)
Net decrease in cash and cash equivalents from discontinued operations	-	-
Net decrease in cash and cash equivalents	**(1,330,340)**	**(1,151,633)**
Cash and cash equivalents at the beginning of the year	8,920,954	3,438,830
Cash and cash equivalents on deconsolidation	-	(28,560)
Exchange differences on cash and cash equivalents	100,781	6,662,317
Cash and cash equivalents at the end of the year	7,691,395	8,920,954

Consolidated statement of cash flows

For the Year ended 31 March 2022 (continued)

(All amount in £, unless otherwise stated)

Disclosure of Changes in financing liabilities:

Analysing of changes in Net debt	**1 April 2021**	**Cash flows**	**Other Changes**	**31 March 2022**
Working Capital loan	3,788,314	(2,152,472)	5,949	1,641,791
Secured loan due within one year	722,044	10,780,822	254,772	11,757,638
Borrowings grouped under Current liabilities	**4,510,358**	**8,628,350**	**260,721**	**13,399,429**
Secured loan due after one year	42,100,295	(12,538,045)	324,098	29,886,348
Borrowings grouped under Non-current liabilities	**42,100,295**	**(12,538,045)**	**324,098**	**29,886,348**

Analysing of changes in Net debt	**1 April 2020**	**Cash flows**	**Other Changes**	**31 March 2021**
Working Capital loan	6,914,122	(2,704,726)	(421,082)	3,788,314
Secured loan due within one year	16,832,107	(15,443,674)	(666,390)	722,044
Borrowings grouped under Current liabilities	**23,746,229**	**(18,148,399)**	**(1,087,471)**	**4,510,358**
Secured loan due after one year	33,081,456	12,190,599	(3,171,760)	42,100,295
Borrowings grouped under Non-current liabilities	**33,081,456**	**12,190,599**	**(3,171,760)**	**42,100,295**

Notes to the consolidated financial statements

(All amount in £, unless otherwise stated)

1 Nature of operations

OPG Power Ventures Plc ('the Company' or 'OPGPV'), and its subsidiaries (collectively referred to as 'the Group') are primarily engaged in the development, owning, operation and maintenance of private sector power projects in India. The electricity generated from the Group's plants is sold principally to public sector undertakings and heavy industrial companies in India or in the short term market. The business objective of the Group is to focus on the power generation business within India and thereby provide reliable, cost effective power to the industrial consumers and other users under the 'open access' provisions mandated by the Government of India.

2 *Statement of compliance*

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) - as issued by the International Accounting Standards Board and the provisions of the Isle of Man, Companies Act 2006 applicable to companies reporting under IFRS.

3 *General information*

OPG Power Ventures Plc, a limited liability corporation, is the Group's ultimate parent Company and is incorporated and domiciled in the Isle of Man.

The address of the Company's registered Office, which is also the principal place of business, is 55 Athol street, Douglas, Isle of Man IM1 1LA. The Company's equity shares are listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

The Consolidated Financial statements for the year ended 31 March 2022 were approved and authorised for issue by the Board of Directors on 28 September 2022.

4 *Recent accounting pronouncements*

a) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, and amendments to existing standards have been published by the IASB that are not yet effective, and have not been adopted early by the Group. Information on those expected to be relevant to the Group's financial statements is provided below.

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not either adopted or listed below are not expected to have a material impact on the Group's financial statements.

b) *Changes in accounting Standards*

The following standards and amendments to IFRSs became effective for the period beginning on 1 January 2021 and did not have a material impact on the consolidated financial statements:

i Amendments to IFRS 16, Covid 19 "related rent concessions"

"The amendments permit lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the Covid-19 pandemic are lease modifications and instead, to account for those rent concessions as they were not lease modifications. Initially, these amendments were to apply until June 30, 2021."

ii Amendments to IFRS 16, Covid 19 "related rent concessions beyond 30 June 2021"

"In light of the fact that the Covid-19 pandemic is continuing, the IASB extended the application period of the practical expenditure with respect to accounting for Covid-19-related rent concessions through June 30, 2022"

iii Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 "Interest rate benchmark reform (phase 2)"

"IFRS9. IAS 39, BRS 7, The amendments provide temporary relief to adopters regarding the financial reporting impact that will result from replacing Interbank Offered Rates (IBOR) with alternative risk-free rates (RFRS). The amendments provide for the following practical expedients: Treatment of contract modifications or changes in contractual cash flows due directly to the Reform-such as fluctuations in a market interest rate-as changes in a floating rate, allow changes to the designation and documentation of a hedging relationship required by IBOR reform without discontinuing hedge accounting. Temporary relief from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk comes in connection with the IBOR Reform."

iv Amendments to IFRS 9, IAS 39 and IFRS 7, "Interest Rate Benchmark Reform"

In September 2019, the IASB published amendments to IFRS 9, IAS 39 and IFRS 7, "Interest Rate Benchmark Reform." The Phase 1 amendments of the IASB's Interest Rate Benchmark Reform project (IBOR reform) provide for temporary exemption from applying specific hedge accounting requirements to hedging relationships that are directly affected by IBOR reform. The exemptions have the effect that IBOR reform should not generally cause hedge relationships to be terminated due to uncertainty about when and how reference interest rates will be replaced. However, any hedge ineffectiveness should continue to be recorded in the income statement under both IAS 39 and IFRS 9. Furthermore, the amendments set out triggers for when the exemptions will end, which include the uncertainty arising from IBOR reform. The amendments have no impact on Group's Consolidated Financial Statements.

v Amendments to IFRS 4, "Extension of the temporary exemption from IFRS 9" "Deferral of initial application of IFRS 9 for insurers"

c) *Standards and Interpretations Not Yet Applicable*

The IASB and the IFRS IC have issued the following additional standards and interpretations. Group does not apply these rules because their application is not yet mandatory. Currently, however, these adjustments are not expected to have a material impact on the consolidated financial statements of the Group:

i Amendments to IAS 16-proceeds before intended use

The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.

ii Amendments to IAS 37-Onerous contracts-cost of Fulfilling a contract

"Clarification that all costs directly attributable to a contract must be considered when determining the cost of fulfilling the contract." iii
Amendments to IFRS 3-Reference to the Conceptual Framework

Reference to the revised 2018 IFRS Conceptual Framework. Priority application of LAS 37 or IFRIC 21 by the acquirer to identify acquired liabilities. No recognition of contingent assets acquired allowed.

iv Annual Improvements Project-Annual Improvements to IFRSs 2018-2020 Cycle Minor amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41.

v IFRS 17 "Insurance contracts including Amendments to IFRS 17"

The new IFRS 17 standard governs the accounting for insurance contracts and supersedes IFRS 4. vi
Amendment to IFRS 17-Initial Application of IFRS 17 and IFRS 9-Comparative Information

The amendment concerns the transitional provisions for the initial joint application of IFRS 17 and IFRS 9.

vii Amendments to IAS 1-Classification of Liabilities as Current or Non-current Amendments to IAS 1-Classification of Liabilities as Current or Non-current-Deferral of Effective Date

Clarification that the classification of liabilities as current or non-current is based on the rights the entity has at the end of the reporting period.

viii Amendments to IAS 1 and IFRS Practice Statement 2-Disclosure of Accounting Policies

"Clarification that an entity must disclose all material (formerly ""significant"") accounting policies. The main characteristic of these items is that, together with other information included in the financial statements, they can influence the decisions of primary users of the financial statements"

ix Amendments to IAS 8-Definition of Accounting Estimates

Clarification with regard to the distinction between changes in accounting policies (retrospective application) and changes in accounting estimates (prospective application).

x Amendments to IAS 12-Deferred Tax related to Assets and Liabilities arising from a Single transaction.

Clarification that the initial recognition exemption of IAS 12 does not apply to leases and decommissioning obligations. Deferred tax is recognized on the initial recognition of assets and liabilities arising from such transactions.

5 *Summary of significant accounting policies*

a) Basis of preparation

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for financial assets and liabilities at fair value through profit or loss and financial assets measured at FVPL.

The consolidated financial statements are presented in accordance with IAS 1 Presentation of Financial Statements and have been presented in Great Britain Pounds ('£'), the functional and presentation currency of the Company.

During the current year, the results of the operations of solar entities Avanti Solar Energy Private Limited, Mayfair Renewable Energy Private

Limited, Avanti Renewable Energy Private Limited and Brics Renewable Energy Private Limited continued to be classified as Assets held for sale as the process of disposition of the solar entities could not be implemented during FY22 due to pandemic Covid-19 and expectation of comparatively better valuation for sale. However the Management expects the interest in the solar entities to be sold within the next 12 months and continues to locate a buyer. The Group continues owning a 31% equity interest in the solar entities.

Going Concern

"As at 31 March 2022 the Group had £7.7m in cash and net current assets of £31.7m. The Group has considered the possible effects that may result from the pandemic on the carrying amounts of receivables and other financial assets and carried out a Reverse Stress Test (RST). In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information. The Group has performed sensitivity analysis on the assumptions used for business projections and based on current estimates expects the carrying amount of these assets will be recovered and no material impact on the financial results inter-alia including the carrying value of various current and non-current assets are expected to arise for the year ended 31 March 2022. TheGroup will continue to closely monitor any variation due to the changes in situation and these changes will be taken into consideration, if necessary, as and when they crystalise. The directors and management have prepared a cash flow forecast to September 2023, 12 months from the date this report has been approved. Based on the RST analysis, we can conclude that the Group is in strong position to go through the current situation caused by Covid-19 pandemic and going concern is not an issue.The Group experiences sensitivity in its cash flow forecasts due to the exposure to potential increase in USD denominated coal prices and a decrease in the value of the Indian Rupee. The Directors and management are confident that the Group will be trading in line with its forecast and that any exposure to a fluctuation in coal prices or the exchange rate INR/USD has been taken into consideration and therefore prepared the financial statements on a going concern basis."

"The consequences of the Covid-19 pandemic continued to impact the Group businesses. However, the economic consequences of the Covid-19 pandemic, which had a marginally negative effect on the Group activities in the FY21, have to a large extent dissipated in FY22, although the economic impediments that still persist vary from region to region and from segment to segment.The Group received no materially significant public support measures such as tax relief or compensatory mechanisms except for certain debt drawn as part of COVID-19 related credit measures extended by the Reserve Bank of India. In addition, there were no material effects on the employment situation in the Group. Overall, the Covid-19 pandemic did not have very significant impact for the Group during the year."

Sharp rise in global coal price during second half of the year deterred import of coal, putting further pressure on demand for domestic (Indian) coal. The war between Russia and Ukraine from February 2022 has further aggravated the situation, with a sharp upward movement in global coal prices. As power demand in India continues to be met mainly through thermal generation, a surge in power demand during second half of the year put pressure on fuel supply. The unanticipated rise in demand for electricity with pickup in economic activities was not met by proportional growth in coal supplies (also in part due to sharp jump in global coal price), resulting in severe coal shortages. If global coal prices do not correct to normal levels there can be a material adverse effect on the group's results of operations and financial condition. The Group has taken certain commercial and technical measures to reduce the impact of this adverse development including blending comparatively cheaper coal, modifications to boilers to facilitate different quality coal firing and also renegotiation of the tariff and commercial terms of the power sale arrangement with the power consumers.

b) *Basis of consolidation*

The consolidated financial statements include the assets, liabilities and results of the operation of the Company and all of its subsidiaries as of 31 March 2022. All subsidiaries have a reporting date of 31 March.

A subsidiary is defined as an entity controlled by the Company. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Subsidiaries are fully consolidated from the date of acquisition, being the date on which effective control is acquired by the Group, and continue to be consolidated until the date that such control ceases.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Non-controlling interest represents the portion of profit or loss and net assets that is not held by the Group and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity. Acquisitions of additional stake or dilution of stake from/ to non-controlling interests/ other venturer in the Group where there is no loss of control are accounted for as an equity transaction, whereby, the difference between the consideration paid to or received from and the book value of the share of the net assets is recognised in 'other reserve' within statement of changes in equity.

c) *Investments in associates and joint ventures*

Investments in associates and joint ventures are accounted for using the equity method. The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate and joint venture, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

d) *List of subsidiaries, joint ventures, and associates*

Details of the Group's subsidiaries and joint ventures, which are consolidated into the Group's consolidated financial statements, are as follows:

i) Subsidiaries

Subsidiaries	**Immediate parent**	**Country of incorporation**	**% Voting Right March 2022**	**% Voting Right March 2021**	**% Economic interest March 2022**	**% Economic interest March 2021**
Caromia Holdings limited ('CHL')	OPGPV	Cyprus	100.00	100.00	100.00	100.00
Gita Power and Infrastructure Private Limited, ('GPIPL')	CHL	India	100.00	100.00	100.00	100.00
OPG Power Generation Private Limited ('OPGPG')	GPIPL	India	75.38	71.25	99.92	99.90
Samriddhi Surya Vidyut Private Limited	OPGPG	India	75.38	71.25	100.00	100.00
Powergen Resources Pte Ltd	OPGPV	Singapore	100.00	100.00	100.00	100.00

ii) Joint ventures - Assets Held for sale

Joint ventures	**Venture**	**Country of incorporation**	**% Voting Right March 2022**	**% Voting Right March 2021**	**% Economic interest March 2022**	**% Economic interest March 2021**
Padma Shipping Limited ("PSL")	OPGPV / OPGPG	Hong Kong	50	50	50	50

iii) Associates- Assets Held for sale

Associates	**% Voting Right**	**% Economic**

	Country of incorporation	March 2022 March 2021		interest March 2022 March 2021
Avanti Solar Energy Private Limited	India	31	31	31 31
Mayfair Renewable Energy (I) Private Limited	India	31	31	31 31
Avanti Renewable Energy Private Limited	India	31	31	31 31
Brics Renewable Energy Private Limited	India	31	31	31 31

a) *Foreign currency translation*

The functional currency of the Company is the Great Britain Pound Sterling (£). The Cyprus entity is an extension of the parent and pass through investment entity. Accordingly the functional currency of the subsidiary in Cyprus is the Great Britain Pound Sterling. The functional currency of the Company's subsidiaries operating in India, determined based on evaluation of the individual and collective economic factors is Indian Rupees ('₹ ' or 'INR'). The presentation currency of the Group is the Great Britain Pound (£) as submitted to the AIM counter of the London Stock Exchange where the shares of the Company are listed.

At the reporting date the assets and liabilities of the Group are translated into the presentation currency at the rate of exchange prevailing at the reporting date and the income and expense for each statement of profit or loss are translated at the average exchange rate (unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expense are translated at the rate on the date of the transactions). Exchange differences are charged/ credited to other comprehensive income and recognized in the currency translation reserve in equity.

Transactions in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of financial position date are translated into functional currency at the foreign exchange rate ruling at that date. Aggregate gains and losses resulting from foreign currencies are included in finance income or costs within the profit or loss.

₹ exchange rates used to translate the Indian Rupee financial information into the presentation currency of Great Britain Pound (£) are the closing rate as at 31 March 2022: 99.37 (2021: 100.81) and the average rate for the year ended 31 March 2022: 101.62 (2021: 96.72).

b) *Revenue recognition*

In accordance with IFRS 15 - Revenue from contracts with customers, the Group recognises revenue to the extent that it reflects the expected consideration for goods or services provided to the customer under contract, over the performance obligations they are being provided. For each separable performance obligation identified, the Group determines whether it is satisfied at a "point in time" or "over time" based upon an evaluation of the receipt and consumption of benefits, control of assets and enforceable payment rights associated with that obligation. If the criteria required for "over time" recognition are not met, the performance obligation is deemed to be satisfied at a "point in time". Revenue principally arises as a result of the Group's activities in electricity generation and distribution. Supply of power and billing satisfies performance obligations. The supply of power is invoiced in arrears on a monthly basis and generally the payment terms within the Group are 10 to 45 days.

Revenue

Revenue from providing electricity to captive power users and sales to other customers is recognised on the basis of billing cycle under the contractual arrangement with the captive power users & customers respectively and reflects the value of units of power supplied and the applicable tariff after deductions or discounts. Revenue is earned at a point in time of joint meter reading by both buyer and seller for each billing month.

Interest and dividend

Revenue from interest is recognised as interest accrued (using the effective interest rate method). Revenue from dividends is recognised when the right to receive the payment is established.

c) *Operating expenses*

Operating expenses are recognised in the statement of profit or loss upon utilisation of the service or as incurred.

d) *Taxes*

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, taxation authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income. Deferred tax assets and liabilities are offset only when the Group has a right and the intention to set off current tax assets and liabilities from the same taxation authority. Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensiveincome or equity, respectively.

e) *Financial assets*

IFRS 9 Financial Instruments contains regulations on measurement categories for financial assets and financial liabilities. It also contains regulations on impairments, which are based on expected losses.

"Financial assets are classified as financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income (FVOCI) and financial assets measured at fair value through profit and loss (FVPL) based on the business model and the characteristics of the cash flows. If a financial asset is held for the purpose of collecting contractual cash flows and the cash flows of the financial asset represent exclusively interest and principal payments, then the financial asset is measured at amortized cost. A financial asset is measured at fair value through other comprehensive income (FVOCI) if it is used both to collect contractual cash flows and for sales purposes and the cash flows of the financial asset consist exclusively of interest and principal payments. Unrealized gains and losses from financial assets measured at fair value through other comprehensive income (FVOCI), net of related deferred taxes, are reported as a component of equity (other comprehensive income) until realized. Realized gains and losses are determined by analyzing each transaction individually. Debt instruments that do not exclusively serve to collect contractual cash flows or to both generate contractual cash flows and sales revenue, or whose cash flows do not exclusively consist of interest and principal payments are measured at fair value through profit and loss (FVPL). For equity instruments that are held for trading purposes the Group has uniformly exercised the option of recognizing changes in fair value through profit or loss (FVPL). Refer to note 29""Summary of financial assets and liabilities by category and their fair values""."

Impairments of financial assets are both recognized for losses already incurred and for expected future credit defaults. The amount of the impairment loss calculated in the determination of expected credit losses is recognized on the income statement. Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

f) *Financial liabilities*

The Group's financial liabilities include borrowings and trade and other payables. Financial liabilities are measured subsequently at amortised cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within 'finance costs' or 'finance income'.

g) *Fair value of financial instruments*

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market prices at the close of business on the Statement of financial position date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

h) *Property, plant and equipment*

Property, plant and equipment are stated at historical cost, less accumulated depreciation and any impairment in value. Historical cost includes expenditure that is directly attributable to property plant & equipment such as employee cost, borrowing costs for long- term construction projects etc, if recognition criteria are met. Likewise, when a major inspection is performed, its costs are recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in the profit or loss as incurred.

Land is not depreciated. Depreciation on all other assets is computed on straight-line basis over the useful life of the asset based on management's estimate as follows:

Nature of asset	**Useful life (years)**
Buildings	40
Power stations	40
Other plant and equipment	3-10
Vehicles	5-11

Assets in the course of construction are stated at cost and not depreciated until commissioned.

An item of property, plant and equipment 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 profit or loss in the year the asset is derecognised.

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

Intangible assets

Acquired software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

Subsequent measurement

All intangible assets, including software are accounted for using the cost model whereby capitalised costs are amortised on a straight- line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. The useful life of software is estimated as 4 years.

e) *Leases*

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate. On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonable certain to assess that option and
- any penalties payable for terminating the lease, if the term of the lease has been estimated in the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations)"

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

f) *Borrowing costs*

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets. Interest income earned on the temporary investment of specific borrowing pending its expenditure on qualifying assets is deducted from the costs of these assets.

Gains and losses on extinguishment of liability, including those arising from substantial modification from terms of loans are not treated as borrowing costs and are charged to profit or loss.

All other borrowing costs including transaction costs are recognized in the statement of profit or loss in the period in which they are incurred, the amount being determined using the effective interest rate method.

g) *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 such 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 to sell and its value in use and 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. Where 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 to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

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 profit or loss.

h) *Non-current Assets Held for Sale and Discontinued Operations*

Non-current assets and any corresponding liabilities held for sale and any directly attributable liabilities are recognized separately from other assets and liabilities in the balance sheet in the line items "Assets held for sale" and "Liabilities associated with assets held for sale" if they can be disposed of in their current condition and if there is sufficient probability of their disposal actually taking place. Discontinued operations are components of an entity that are either held for sale or have already been sold and can be clearly distinguished from other corporate operations, both operationally and for financial reporting purposes. Additionally, the component classified as a discontinued operation must represent a major business line or a specific geographic business segment of the Group. Non-current assets that are held for sale either individually or collectively as part of a disposal group, or that belong to a discontinued operation, are no longer depreciated. They are instead accounted for at the lower of the carrying amount and the fair value less any remaining costs to sell. If this value is less than the carrying amount, an impairment loss is recognized. The income and losses resulting from the measurement of components held for sale as well as the gains and losses arising from the disposal of discontinued operations, are reported separately on the face of the income statement under income/loss from discontinued operations, net, as is the income from the ordinary operating activities of these divisions. Prior-year income statement figures are adjusted accordingly. However, there is no reclassification of prior-year balance sheet line items attributable to discontinued operations.

i) *Cash and cash equivalents*

Cash and cash equivalents in the Statement of financial position includes cash in hand and at bank and short-term deposits with original maturity period of 3 months or less.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash in hand and at bank and short- term deposits. Restricted cash represents deposits which are subject to a fixed charge and held as security for specific borrowings and are not included in cash and cash equivalents.

j) *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted based on weighted average price. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

k) *Earnings per share*

The earnings considered in ascertaining the Group's earnings per share (EPS) comprise the net profit for the year attributable to ordinary equity holders of the parent. The number of shares used for computing the basic EPS is the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity share.

l) *Other provisions and contingent liabilities*

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events. Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised, unless it was assumed in the course of a business combination. In a business combination, contingent liabilities are recognised on the acquisition date when there is a present obligation that arises from past events and the fair value can be measured reliably, even if the outflow of economic resources is not probable. They are subsequently measured at the higher amount of a comparable provision as described above and the amount recognised on the acquisition date, less any amortisation.

m) *Share based payments*

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to 'Other Reserves'.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

n) *Employee benefits*

Gratuity

In accordance with applicable Indian laws, the Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

Liabilities with regard to the gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each Statement of financial position date using the projected unit credit method.

The Group recognises the net obligation of a defined benefit plan in its statement of financial position as an asset or liability, respectively in accordance with IAS 19, Employee benefits. The discount rate is based on the Government securities yield. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit or loss in the statement of comprehensive income in the period in which they arise.

o) *Business combinations*

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established using pooling of interest method. The assets and liabilities acquired are recognised at

the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity. Any excess consideration paid is directly recognised in equity.

p) *Segment reporting*

The Group has adopted the "management approach" in identifying the operating segments as outlined in IFRS 8 - Operating segments. Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors being the chief operating decision maker evaluate the Group's performance and allocates resources based on an analysis of various performance indicators at operating segment level. During the year 2021 the Group has deconsolidated solar entities and are classified as associates (note 7(b)). Accordingly, during FY22 there is only only one operating segment thermal power. The solar power business is classified as held for sale. There are no geographical segments as all revenues arise from India. All the non current assets are located in India.

6 *Significant accounting judgements, estimates and assumptions*

The preparation of financial statements in conformity with IFRS requires management to make certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The principal accounting policies adopted by the Group in the consolidated financial statements are as set out above. The application of a number of these policies requires the Group to use a variety of estimation techniques and apply judgment to best reflect the substance of underlying transactions.

The Group has determined that a number of its accounting policies can be considered significant, in terms of the management judgment that has been required to determine the various assumptions underpinning their application in the consolidated financial statements presented which, under different conditions, could lead to material differences in these statements. The actual results may differ from the judgments, estimates and assumptions made by the management and will seldom equal the estimated results.

a) Judgements

The following are significant management judgments in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Non-current assets held for sale and discontinued operations

"The Group exercises judgement in whether assets are held for sale. After evaluation of all options, the Company decided that the most efficient way to maximise shareholders' value from solar operations is to dispose of the solar companies and it initiated the process of disposition of the solar companies. Under IFRS 5, such a transaction meets the 'Asset held for sale' when the transaction is considered sufficiently probable and other relevant criteria are met. Management consider that all the conditions under IFRS 5 for classification of the solar business as held for sale have been met as at 31 March 2022 and expects the interest in the solar companies to be sold within the next 12 months. "

The investment in the joint venture Padma Shipping Limited and associated advance net of impairments has been presented as asset held for sale following the process of sale of the second vessel as mentioned in note 7(a).

Recoverability of deferred tax assets

The recognition of deferred tax assets requires assessment of future taxable profit (see note 5(h)).

b) Estimates and uncertainties:

The key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of financial position date, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

i) Estimation of fair value of financial assets and financial liabilities: While preparing the financial statements the Group makes estimates and assumptions that affect the reported amount of financial assets and financial liabilities.

Trade Receivables

The Group ascertains the expected credit losses (ECL) for all receivables and adequate impairment provision are made. At the end of each reporting period a review of the allowance for impairment of trade receivables is performed. Trade receivables do not contain a significant financing element, and therefore expected credit losses are measured using the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised on initial recognition. A provision matrix is utilised to estimate the lifetime expected credit losses based on the age, status and risk of each class of receivable, which is periodically updated to include changes to both forward-looking and historical inputs.

Assets held for sale- Financial assets measured at FVPL

Valuation of Investment in joint venture Padma Shipping Limited is based on estimates and subject to uncertainties (Note 7(a)).

Financial assets measured at FVPL

Management applies valuation techniques to determine the fair value of financial assets measured at FVPL where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the asset. Where such data is not observable, management uses its best estimate. Estimated fair values of the asset may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

ii) Impairment tests: In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and use an interest rate for discounting them. Estimation uncertainty relates to assumptions about future operating results including fuel prices, foreign currency exchange rates etc. and the determination of a suitable discount rate. The management considers impairment upon there being evidence that there might be an impairment, such as a lower market capitalization of the group or a downturn in results.

iii) Useful life of depreciable assets: Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

7 *(Loss)/Profit from discontinued operations*

Non-current assets held for sale and (Loss)/Profit from discontinued operations consists of:

	Assets Held for Sale		**Liabilities classified as held for sale**		**(Loss)/Profit from discontinued operations**	
	At 31 March 2022	**At 31 March 2021**	**At 31 March 2022**	**At 31 March 2021**	**For FY 22**	**For FY 21**
i Interest in Solar entities Note 7(b)	13,497,027	16,425,368	-	-	-	-
ii Share of (Loss)/Profit on fair value of investments, in Solar entities Note 7(b)	-	-	-	-	(2,928,341)	117,710
iii Gain on deconsolidation of Solar entities	-	-	-	-	-	881,688

Total	13,497,027	16,425,368	-	-	(2,928,341)	999,398

(a) *Investment in joint venture Padma Shipping Limited - classified as held for sale*

In 2014 the Company entered into a Joint Venture agreement with Noble Chartering Ltd ("Noble"), to secure competitive long term rates for international freight for its imported coal requirements. Under the Arrangement, the company and Noble agreed to jointly purchase and operate two 64,000 MT cargo vessels through a Joint venture company Padma Shipping Ltd, Hong Kong ('Padma').

The Group has invested approximately £3,484,178 in equity and £1,727,418 to date as advance. The Group impaired entire investment in earlier years of £5,211,596 in joint venture on account of the impending dissolution of the JV.

(b) *Assets held for sale and discontinued operations of solar entities*

During the year, the results of the operations of solar entities Avanti Solar Energy Private Limited, Mayfair Renewable Energy Private Limited, Avanti Renewable Energy Private Limited and Brics Renewable Energy Private Limited continued to be classified as Assets held for sale as the process of disposition of the solar entities could not be implemented during FY22 due to pandemic Covid-19 and expectation of comparatively better valuation for sale. However the management expects the interest in the solar entities to be sold within the next 12 months and continues to locate a buyer. The Group continues owning a 31% equity interest in the solar companies. Based on the term sheet available the Group's investment in the solar companies was valued at £13.5 million as compared to OPG's initial investment of £16.4 million. This loss of £2.9 million is recognized as loss from discontinued operations on account of the diminution in the value of investment.

Non-current Assets held-for-sale and discontinued operations

(a) Assets of disposal group classified as held-for-sale	**As at 31 March 2022**	**As at 31 March 2021**
Property, plant and equipment	-	-
Trade and other receivables	-	-
Other short-term assets	-	-
Restricted cash	-	-
Cash and cash equivalents	-	-
Investment in associates classsified as held for sale	13,497,027	16,425,368
Total	**13,497,027**	**16,425,368**
(b) Analysis of the results of discontinued operations is as follows	**For FY 22**	**For FY 21**
Revenue	-	-
Operating profit before impairments	-	-
Finance income	-	-
Finance cost	-	-
Current Tax	-	-
Deferred tax	-	-
Share of (Loss)/Profit on fair value of investments, in Solar entities	(2,928,341)	117,710
Gain on deconsolidation of Solar entities	-	881,688
(Loss)/Profit from Solar operations	**(2,928,341)**	**999,398**

8 Segment Reporting

The Group has adopted the "management approach" in identifying the operating segments as outlined in IFRS 8 - Operating segments. Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors being the chief operating decision maker evaluate the Group's C534performance and allocates resources based on an analysis of various performance indicators at operating segment level. During the year 2021 the Group has deconsolidated solar entities and are classified as associates (note 7(b)). Accordingly, during FY22 there is only only one operating segment thermal power. The solar power business is classified as held for sale. There are no geographical segments as all revenues arise from India. All the non current assets are located in India.

Revenue on account of sale of power to one customer exceeding 10% of total sales revenue amounts to £16,282,629 (2021: £28,720,575).

Segmental information disclosure

	Continuing operations Thermal		**Discontinued operations Solar**	
Segment Revenue	**FY22**	**FY21**	**FY22**	**FY21**
Sales	80,067,032	93,823,933	-	-
Total	**80,067,032**	**93,823,933**	**-**	-
Other Operating income	-	9,420,712	-	-
Depreciation, impairment	(5,333,531)	(5,705,538)	-	-
Profit from operation	16,076,355	27,495,324	-	-
Finance Income	2,285,364	868,439	-	-
Finance Cost	(5,356,089)	(6,803,137)	-	-
Tax expenses	(4,097,184)	(8,447,699)	-	-
Gain on deconsolidation of Solar entities	-	-	-	881,688
Share of Profit, (Loss) on fair value of investments, in Solar entities	-	-	(2,928,341)	117,710
Profit / (loss) for the year	**8,908,446**	**13,112,927**	**(2,928,341)**	**999,398**
Assets	242,561,040	239,076,536	13,497,027	16,425,368
Liabilities	85,991,813	93,934,834	-	-

9 Costs of inventories and employee benefit expenses included in the consolidated statements of comprehensive income

a)	**Cost of fuel**	**31 March 2022**	**31 March 2021**
	Included in cost of revenue: Cost of fuel consumed Other direct costs	53,886,250 2,614,714	54,095,390 2,797,675
	Total	**56,500,964**	**56,893,065**

b) Employee benefit expenses forming part of general and administrative expenses are as follows:

	31 March 2022	**31 March 2021**
Salaries and wages Employee benefit costs *	2,247,996 217,715	2,139,303 228,112

Long Tern Incentive Plan (Note 21)	194,778	535,247
Total	**2,660,589**	**2,902,662**

* includes £22,925 (2021 £31,885) being expenses towards gratuity which is a defined benefit plan (Note 5(v))

c) Auditor's remuneration for audit services amounting to £59,000 (2021: £60,000) is included in general and administrative expenses.

d) Foreign exchange movements (realised and unrealised) included in the Finance costs is as follows:

	31 March 2022	**31 March 2021**
Foreign exchange realised - loss	214,048	213,524
Foreign exchange unrealised- loss	184,880	46,931
Total	**398,928**	**260,455**

10 *Other operating income and expenses*

a) Other operating income	31 March 2022	31 March 2021
Contractual claims payments	-	9,420,712
Total	-	9,420,712

Other operating income represents contractual claims payments from company's customers under the power purchase agreements which were accumulated over several periods.

b) Other income	**31 March 2022**	**31 March 2021**
Sale of coal	7,338,941	616,708
Sale of fly ash	77,586	16,271
Power trading commission and other services	169,183	147,166
Others	469,155	1,141,401
Total	**8,054,865**	**1,921,546**

11 *Finance costs*

Finance costs are comprised of:	**31 March 2022**	**31 March 2021**
Interest expenses on borrowings	4,277,158	5,848,895
Net foreign exchange loss (Note 9)	398,928	260,455
Other finance costs	680,003	693,787
Total	**5,356,089**	**6,803,137**

Other finance costs include charges and cost related to LC's for import of coal and other charges levied by bank on transactions

12 *Finance income*

Finance income is comprised of:	31 March 2022	31 March 2021
Interest income on bank deposits and advances	891,467	401,194
Profit on disposal of financial instruments*	1,393,897	467,245
Total	2,285,364	868,439

*Financial instruments represent the mutual funds held during the year and profits include £465,297 unrealised gain on mark to market rate as on reporting date.

13 *Tax expenses*

Tax Reconciliation

Reconciliation between tax expense and the product of accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2022 and 2021 is as follows:

	31 March 2022	**31 March 2021**
Accounting profit before taxes	13,005,630	21,560,626
Enacted tax rates	34.94%	34.94%
Tax expense on profit at enacted tax rate	4,544,687	7,534,145
Exempt Income due to tax holiday	-	(161,808)
Foreign tax rate differential	(13,847)	487,920
Unused tax losses brought forward and carried forward	-	1,216,052
Non-taxable items	(916,046)	(216,590)
MAT credit (entitlement) / reversed	482,390	(412,019)
Actual tax for the period	**4,097,184**	**8,447,699**

	31 March 2022	**31 March 2021**
Current tax	334,646	412,513
Deferred tax	3,762,538	8,035,186
Tax reported in the statement of comprehensive income	4,097,184	8,447,699

The Company is subject to Isle of Man corporate tax at the standard rate of zero percent. As such, the Company's tax liability is zero. Additionally, Isle of Man does not levy tax on capital gains. However, considering that the group's operations are primarily based in India, the effective tax rate of the Group has been computed based on the current tax rates prevailing in India. Further, a portion of the profits of the Group's India operations are exempt from Indian income taxes being profits attributable to generation of power in India. Under the tax holiday the taxpayer can utilize an exemption from income taxes for a period of any ten consecutive years out of a total of fifteen consecutive years from the date of commencement of the operations. However, the entities in India are still liable for Minimum Alternate Tax (MAT) which is calculated on the book profits of the respective entities currently at a rate of 17.47% (31 March 2021: 17.47%).

The Group has carried forward credit in respect of MAT tax liability paid to the extent it is probable that future taxable profit will be available against which such tax credit can be utilized.

Deferred income tax for the Group at 31 March 2022 and 2021 relates to the following:

	31 March 2022	**31 March 2021**

Deferred income tax assets		
Unused tax losses brought forward and carried forward	-	-
MAT credit entitlement	11,985,655	12,374,534
	11,985,655	12,374,534
Deferred income tax liabilities		
Property, plant and equipment	29,015,582	25,368,905
	29,015,582	25,368,905
Deferred income tax liabilities, net	**17,029,927**	**12,994,371**

Movement in temporary differences during the year

Particulars	As at 01 April 2021	Deferred tax liability for the year	Classified as Liability held for sale	Translation adjustment	As at 31 March 22
Property, plant and equipment	(25,368,905)	(3,280,148)	-	(366,529)	(29,015,582)
Unused tax losses brought forward and carried forward	-	-	-	-	-
MAT credit entitlement	12,374,534	(482,390)	-	93,511	11,985,655
Deferred income tax liabilities net	**(12,994,371)**	**(3,762,538)**	**-**	**(273,018)**	**(17,029,927)**

Particulars	As at 01 April 2020	Deferred tax asset for the year	Classified as Liability held for sale	Translation adjustment	As at 31 March 21
Property, plant and equipment	(18,902,358)	-	(6,466,547)	-	(25,368,905)
Unused tax losses brought forward and carried forward	1,216,052	-	(1,216,052)	-	-
MAT credit entitlement	11,962,515	412,019	-	-	12,374,534
Deferred income tax (liabilities) / assets, net	**(5,723,791)**	**412,019**	**(7,682,599)**	**-**	**(12,994,371)**

In assessing the recoverability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Shareholders resident outside the Isle of Man will not suffer any income tax in the Isle of Man on any income distributions to them. However, dividends are taxable in India in the hands of the recipient.

There is no unrecognised deferred tax assets and liabilities. As at 31 March 2022 and 2021, there was no recognised deferred tax liability for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries, as the Group has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future.

14 Intangible assets	**Acquired software licences**
Cost	
At 31 March 2020	**827,065**
Additions	
Exchange adjustments	(63,470)
At 31 March 2021	**763,595**
At 31 March 2021	763,595
Additions	11,875
Exchange adjustments	11,032
At 31 March 2022	**786,502**
Accumulated depreciation and impairment	
At 31 March 2020	818,020
Charge for the year	6,209
Exchange adjustments	(63,028)
At 31 March 2021	**761,201**
At 31 March 2021	**761,201**
Charge for the year	2,438
Exchange adjustments	11,054
At 31 March 2022	**774,692**
Net book value	
At 31 March 2022	**11,810**
At 31 March 2021	**2,394**

15 Property, plant and equipment

The property, plant and equipment comprises of:

	Land & Building	Power Station	Other plant & equipment	Vehicles	Right-of-use	Asset under construction	Total
Cost							

At 1st April 2020	**8,765,490**	**216,622,367**	**1,886,252**	**2,356,081**	**-**	**280,776**	**229,910,967**
Additions	271,158	318,038	24,375	134,659	-	36,206	784,436
Transfers on capitalisation	13,598	159,120	-	-	-	(172,718)	-
Sale / Disposals	-	-	-	(1,561,762)	-	-	(1,561,762)
Exchange adjustments	(661,265)	(16,639,299)	(143,908)	(180,354)	-	(21,547)	(17,646,373)
At 31 March 2021	**8,388,982**	**200,460,226**	**1,766,719**	**748,624**	**-**	**122,717**	**211,487,267**
At 1st April 2021	**8,388,982**	**200,460,226**	**1,766,719**	**748,624**	**-**	**122,717**	**211,487,267**
Additions	13,919	267,007	25,229	23,745	43,843	3,265,722	3,639,464
Transfers on capitalisation	-	1,584,477	38,134	-	-	(1,622,611)	-
Sale / Disposals	-	-	-	(52,794)	-	-	(52,794)
Exchange adjustments	119,437	2,905,807	25,366	10,730	-	1,392	3,062,732
At 31 March 2022	**8,522,337**	**205,217,516**	**1,855,448**	**730,306**	**43,843**	**1,767,219**	**218,136,670**

Accumulated depreciation and impairment							
At 1 April 2020	**55,601**	**34,683,662**	**878,072**	**1,824,237**	**-**	**-**	**37,441,572**
Charge for the year	12,081	5,230,238	262,333	194,677	-	-	5,699,329
Sale / Disposals	-	-	-	(1,263,537)	-	-	(1,263,537)
Exchange adjustments	(6,363)	(2,874,452)	(77,955)	(147,367)	-	-	(3,106,137)
At 31 March 2021	**61,319**	**37,039,448**	**1,062,450**	**608,010**	**-**	**-**	**38,771,227**
At 1 April 2021	**61,319**	**37,039,448**	**1,062,450**	**608,010**	**-**	**-**	**38,771,227**
Charge for the year	10,801	5,033,811	257,197	22,135	7,149	-	5,331,093
Sale / Disposals	-	-	-	(52,794)	-	-	(52,794)
Exchange adjustments	1,433	649,528	21,170	9,190	146	-	681,467
At 31 March 2022	**73,553**	**42,722,787**	**1,340,816**	**586,542**	**7,295**	**-**	**44,730,994**
Net book value							
At 31 March 2022	**8,448,784**	**162,494,730**	**514,631**	**143,764**	**36,548**	**1,767,219**	**173,405,676**
At 31 March 2021	**8,327,663**	**163,420,778**	**704,269**	**140,614**	**-**	**122,717**	**172,716,040**

The net book value of land and buildings block comprises of:

	31 March 2022	**31 March 2021**
Freehold land	8,029,665	7,917,345
Buildings	419,119	410,318
	8,448,784	**8,327,663**

Property, plant and equipment with a carrying amount of £167,788,550 (2021: £169,111,804) is subject to security restrictions (refer note 22).

16 *Other Assets*

	31 March 2022	**31 March 2021**
A. Short-term		
Capital advances	-	124,601
Financial instruments measured at fair value through P&L	18,265,352	13,253,663
Advances and other receivables	7,917,571	4,427,290
Total	**26,182,923**	**17,805,554**
B. Long-term		
Bank deposits	12,140	57,713
Other advances	-	12,140
Total	**12,140**	**69,853**

The financial instruments of £18,265,352 (FY2021: £13,253,663) represent investments in mutual funds and their fair value is determined by reference to published data.

17 *Trade and other receivables*

	31 March 2022	31 March 2021
Current		
Trade Receivables	8,607,935	14,829,989
Total	8,607,935	14,829,989

18 Inventories

	31 March 2022	**31 March 2021**
Coal and fuel	9,499,510	11,228,377
Stores and spares	966,310	958,267
Total	**10,465,820**	**12,186,644**

The entire amount of above inventories has been pledged as security for borrowings (refer note 22)

19 **Cash and cash equivalents and Restricted cash**

a Cash and short term deposits comprise of the following:

	31 March 2022	31 March 2021
Investment in Mutual funds	5,193,275	1,815,629
Cash at banks and on hand	2,498,117	7,105,324
Total	**7,691,392**	**8,920,952**

Short-term deposits are placed for varying periods, depending on the immediate cash requirements of the Group. They are recoverable on demand.

b Restricted cash

Current restricted cash represents deposits maturing between three to twelve months amounting to £2,392,104 (2021: £3,219,356) which have been pledged by the Group in order to secure borrowing limits with the banks. Non-current restricted represents investments in mutual funds maturing after twelve months amounting to £10,427,847 (2021: £8,194,412). Investments of £8,300,665 (2021: £8,182,445) are allocated to debenture redemption fund earmarked towards redemption of non-convertible debentures of £20,126,738 scheduled during FY 2024.

20 *Issued share capital Share Capital*

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary shares, as reflected in the records of the Group on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Group.

As at 31 March 2022, the Company has an authorised and issued share capital of 400,733,511 (2021: 400,733,511) equity shares at par value of £ 0.000147 (2021: £ 0.000147) per share amounting to £58,909 (2020: £58,909) in total.

Reserves

Share premium represents the amount received by the Group over and above the par value of shares issued. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Foreign currency translation reserve is used to record the exchange differences arising from the translation of the financial statements of the foreign subsidiaries.

Other reserve represents the difference between the consideration paid and the adjustment to net assets on change of controlling interest, without change in control, other reserves also includes any costs related with share options granted and gain/losses on re- measurement of financial assets measured at fair value through other comprehensive income.

Retained earnings include all current and prior period results as disclosed in the consolidated statement of comprehensive income less dividend distribution.

21 *Share based payments*

Long Term Incentive Plan In April 2019, the Board of Directors has approved the introduction of Long Term Incentive Plan (""LTIP""). The key terms of the LTIP are:

The number of performance-related awards is 14 million ordinary shares (the "LTIP Shares") (representing approximately 3.6 per cent of the Company's issued share capital). The grant date is 24 April 2019.

The LTIP Shares were awarded to certain members of the senior management team as Nominal Cost Shares and will vest in three tranches subject to continued service with Group until vesting and meeting the following share price performance targets, plant load factor ("PLF") and term loan repayments of the Chennai thermal plant.

- 20% of the LTIP Shares shall vest upon meeting the target share price of 25.16p before the first anniversary for the first tranche, i.e. 24 April 2020, achievement of PLF during the period April 2019 to March 2020 of at least 70% at the Chennai thermal plant and repayment of all scheduled term loans;
- 40% of the LTIP Shares shall vest upon meeting the target share price of 30.07p before the second anniversary for the second tranche, i.e. 24 April 2021, achievement of PLF during the period April 2020 to March 2021 of at least 70% at the Chennai thermal plant and repayment of all scheduled term loans;
- 40% of the LTIP Shares shall vest upon meeting the target share price of 35.00p before the third anniversary for the third tranche, i.e. 24 April 2022, achievement of PLF of at least 70% at the Chennai thermal plant during the period April 2021 to March 2022 and repayment of all scheduled term loans.

The nominal cost of performance share, i.e. upon the exercise of awards, individuals will be required to pay up 0.0147p per share to exercise their awards

The share price performance metric will be deemed achieved if the average share price over a fifteen day period exceeds the applicable target price. In the event that the share price or other performance targets do not meet the applicable target, the number of vesting shares would be reduced pro-rata, for that particular year. However, no LTIP Shares will vest if actual performance is less than 80 per cent of any of the performance targets in any particular year. The terms of the LTIP provide that the Company may elect to pay a cash award of an equivalent value of the vesting LTIP Shares.

In April 2020, and upon meeting relevant performance targets, 2,190,519 LTIP shares vested (80% of the 1st tranche). These shares will be issued later this year.

None of the LTIP Shares, once vested, can be sold until the third anniversary of the award, unless required to meet personal taxation obligations in relation to the LTIP award.

Second and third tranches of LTIP grant didn't meet relevant performance targets and expired in April 2022.

For LTIP Shares awards, £194,778 (FY2021: 535,247) has been recognised in General and administrative expenses.

Grant date	24-Apr-19	24-Apr-19	24-Apr-19
Vesting date	24-Apr-20	24-Apr-21	24-Apr-22
Method of Settlement	Equity/ Cash	Equity/ Cash	Equity/ Cash
Vesting of shares (%)	20%	40%	40%
Number of LTIP Shares granted	2,800,000	5,600,000	5,600,000
Exercise Price (pence per share)	0.0147	0.0147	0.0147
Fair Value of LTIP Shares granted (pence per share)	0.1075	0.1217	0.1045
Expected Volatility (%)	68.00%	64.18%	55.97%

22 **Borrowings**

The borrowings comprise of the following:

	Interest rate (range %)	Final maturity	31 March 2022	31 March 2021
Borrowings at amortised cost	9.9-10.851	June 2024	23,159,039	26,770,564
Non-Convertible Debentures at amortised cost	9.85	June 2023	20,126,738	19,840,089
Total			**43,285,777**	**46,610,653**

1 Interest rate range for Project term loans and Working Capital

The term loans of £21.6m, working capital loans of £1.6m and non-convertible debentures of £20.1m are taken by the Group are fully secured by the property, plant, assets under construction and other current assets of subsidiaries which have availed such loans. All term loans and working capital loans are personally guaranteed by a Director.

Term loans contain certain covenants stipulated by the facility providers and primarily require the Group to maintain specified levels of certain financial metrics and operating results. As of 31 March 2022, the Group has met all the relevant covenants.

The fair value of borrowings at 31 March 2022 was £43,285,777 (2021: £46,610,653). The fair values have been calculated by discounting cash flows at prevailing interest rates.

The borrowings are reconciled to the statement of financial position as follows:

	31 March 2022	31 March 2021
Current liabilities		
Amounts falling due within one year	13,399,429	4,510,358
Non-current liabilities		
Amounts falling due after 1 year but not more than 5 years	29,886,348	42,100,295
Total	**43,285,777**	**46,610,653**

23 Trade and other payables

	31 March 2022	31 March 2021
Current		
Trade payables	24,402,850	32,368,058
Creditors for capital goods	37,474	128,777
Total	**24,440,324**	**32,496,835**
Non-current		
Other payables	630,358	607,702
Total	**630,358**	**607,702**

Trade payables include credit availed from banks under letters of credit for payments in USD to suppliers for coal purchased by the Group. Other trade payables are normally settled on 45 days terms credit. The arrangements are interest bearing and are payable within one year. With the exception of certain other trade payables, all amounts are short term. Creditors for capital goods are non-interest bearing and are usually settled within a year. Other payables include accruals for gratuity and other accruals for expenses.

24 Related party transactions Key Management Personnel:

Name of the party	Nature of relationship
N Kumar	Non-executive Chairman (from 4 April 2022)
Arvind Gupta	Chairman (till 4 April 2022)
Avantika Gupta	Chief Executive Officer (from 4 April 2022)
Dmitri Tsvetkov	Chief Financial Officer & Director (till 31 May 2022)
Ajit Pratap Singh	Chief Financial Officer (from 31 May 2022)
Jeremy Warner Allen	Deputy Chairman
Mike Grasby	Director (from February 2021)

Related parties with whom the Group had transactions during the period

Name of the party	Nature of relationship
Padma Shipping Limited	The Company has joint control of the entity
Avanti Solar Energy Private Limited	Associates
Mayfair Renewable Energy (I) Private Limited	Associates
Avanti Renewable Energy Private Limited	Associates
Brics Renewable Energy Private Limited	Associates
Samriddhi Bubna	Relative of Key Management Personnel

Summary of transactions with related parties

Name of the party	31 March 2022	31 March 2021
Remuneration to Samriddhi Bubna	24,601	25,847
Sale of solar modules:		
a) Avanti Solar Energy Private Limited	188,741	198,299
b) Mayfair Renewable Energy (I) Private Limited	75,664	79,496

Summary of balance with related parties

Name of the party	Nature of balance	31 March 2022	31 March 2021
Padma Shipping Limited	Investment	3,448,882	3,448,882
Padma Shipping Limited	Advances	1,727,418	1,727,418
Padma Shipping Limited	Impairment provision	(5,176,300)	(5,176,300)
Avanti Solar Energy Private Limited	Investment	4,863,575	4,766,864
Avanti Solar Energy Private Limited	Trade payable	-	(67,391)

Avanti Solar Energy Private Limited	Advance	538,038	6,022
Mayfair Renewable Energy Private Limited	Investment	5,277,364	5,352,890
Mayfair Renewable Energy Private Limited	Trade payable	(52,035)	(51,294)
Mayfair Renewable Energy Private Limited	Advance	-	7,242
Avanti Renewable Energy Private Limited	Investment	5,804,055	5,895,541
Avanti Renewable Energy Private Limited	Trade payable	-	(147,583)
Avanti Renewable Energy Private Limited	Advance	298,745	9,047
Brics Renewable Energy Private Limited	Investment	362,664	410,073
Impairment provisions - Investments in Solar (Associates)	Investment	(2,810,631)	-

Outstanding balances at the year-end are unsecured. Related party transaction are on arms length basis. There have been no guarantees provided or received for any related party receivables or payables except for corporate guarantees issued to lenders of its solar entities classified as Assets held for sale (loans outstanding £21,760,989 (2021: £23,300,131)) and corporate guarantee to a director for his personal guarantees with respect to the Group. The assessment of impairment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

A director personally guaranteed loans of an associate solar entity Nil (2021: £7,412,554)) which is classified as Asset Held for Sale. Group's loans of £23,044,653 (2021: £25,368,634) are personally guaranteed by a director.

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A director personally guaranteed loans of an associate solar entity Nil (2021: £7,412,554)) which is classified as Asset Held for Sale. Group's loans of £23,044,653 (2021: £25,368,634) are personally guaranteed by a director.

25 *Earnings per share*

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the parent company as the numerator (no adjustments to profit were necessary for the year ended March 2022 or 2021).

The company has issued LTIP over ordinary shares which could potentially dilute basic earnings per share in the future.

The weighted average number of shares for the purposes of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share (for the Group and the Company) as follows:

Particulars	31 March 2022	31 March 2021
Weighted average number of shares used in basic earnings per share	402,924,030	400,733,511
Shares deemed to be issued for no consideration in respect of share based payments	-	2,190,519
Weighted average number of shares used in diluted earnings per share	402,924,030	402,924,030

26 *Directors remuneration*

Name of directors	**31 March 2022**	**31 March 2021**
Arvind Gupta	-	-
Avantika Gupta	59,043	60,000
Dmitri Tsvetkov	1,50,000	1,50,000
Jeremy Warner Allen	25,000	25,000
N Kumar	22,500	22,500
Mike Grasby (from February 2021)	22,500	2,562
Total	**2,79,043**	**2,60,062**

As part of COVID-19 response, the Company has implemented various cost reduction and efficiency improvement measures to conserve cash and improve liquidity, including voluntary 100 per cent salary reduction for Chairman and voluntary reductions up to 50 per cent in compensation for Executive and Non-Executive Directors for FY22 and FY21.The above remuneration is in the nature of short-term employee benefits. As the future liability for gratuity and compensated absences is provided on actuarial basis for the companies in the Group, the amount pertaining to the directors is not individually ascertainable and therefore not included above.

27 *Commitments and contingencies*

Operating lease commitments

The Group leases office premises under operating leases. The leases typically run for a period up to 5 years, with an option to renew the lease after that date. None of the leases includes contingent rentals.

Non-cancellable operating lease rentals are payable as follows:

	31 March 2022	**31 March 2021**
Not later than one year	15,337	-
Later than one year and not later than five years	23,005	-
Later than five years	-	-
Total	38,342	-

Recognition of a right of use asset £36,548 (2021: NIL) and a lease liability £36,228 (2021: NIL).

Contingent liabilities

Disputed income tax demands £3,715,194 (2021: £816,358).

Future cash flows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

Guarantees and Letter of credit

The Group has provided bank guarantees and letter of credits (LC) to customers and vendors in the normal course of business. The LC provided as at 31 March 2022: £13,964,728 (2021: £20,167,583) and Bank Guarantee (BG) as at 31 March 2022: £4,039,969 (2021: £2,575,878). LC are supporting accounts payables already recognised in statement of financial position. There have been no guarantees provided or received for any related party receivables or payables except for corporate guarantees issued to lenders of its associate solar entities of

£21,760,986 (2021: £23,300,131). Working capital facilities limits, LCs and BGs are personally guaranteed by a director. BG are treated as contingent liabilities until such time it becomes probable that the Company will be required to make a payment under the guarantee. The Company provided a corporate guarantee to a director for his personal guarantees with respect to the Group.

28 *Financial risk management objectives and policies*

The Group's principal financial liabilities, comprises of loans and borrowings, trade and other payables, and other current liabilities. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has loans and receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Group also hold investments designated financial assets measured at FVPL categories.

The Group is exposed to market risk, credit risk and liquidity risk.

The Group's senior management oversees the management of these risks. The Group's senior management advises on financial risks and the appropriate financial risk governance framework for the Group.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings, deposits, financial assets measured at FVPL.

The sensitivity analyses in the following sections relate to the position as at 31 March 2022 and 31 March 2021 The following assumptions have been made in calculating the sensitivity analyses:

(i) The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates on the net interest income for one year, based on the average rate of borrowings held during the year ended 31 March 2022, all other variables being held constant. These changes are considered to be reasonably possible based on observation of current market conditions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with average interest rates.

At 31 March 2022 and 31 March 2021, the Group had no interest rate derivatives.

The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant. If interest rates increase or decrease by 100 basis points with all other variables being constant, the Group's profit after tax for the year ended 31 March 2022 would decrease or increase by £432,858 (2021: £466,107).

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group's presentation currency is the Great Britain £. A majority of our assets are located in India where the Indian rupee is the functional currency for our subsidiaries. Currency exposures also exist in the nature of capital expenditure and services denominated in currencies other than the Indian rupee.

The Group's exposure to foreign currency arises where a Group company holds monetary assets and liabilities denominated in a currency different to the functional currency of that entity:

	As at 31 March 2022		As at 31 March 2021	
Currency	**Financial assets**	**Financial liabilities**	**Financial assets**	**Financial liabilities**
United States Dollar (USD)	133,577	16,067,891	60,158	27,733,983

Set out below is the impact of a 10% change in the US dollar on profit arising as a result of the revaluation of the Group's foreign currency financial instruments:

	As at 31 March 2022		As at 31 March 2021	
Currency	**Closing Rate (INR/USD)**	**Effect of 10% strengthening in USD against INR - Translated to GBP**	**Closing Rate (INR/USD)**	**Effect of 10% strengthening in USD against INR - Translated to GBP**
United States Dollar (USD)	75.66	1,223,320	73.37	2,012,662

The impact on total equity is the same as the impact on net earnings as disclosed above.

Credit risk analysis

Credit risk is the risk that 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 for trade and other receivables) and from its financing activities, including short-term deposits with banks and financial institutions, and other financial assets. Further, the global economy has been severely impacted by the global pandemic Covid-19 (Note 5(a)).

The maximum exposure for credit risk at the reporting date is the carrying value of each class of financial assets amounting to £34,802,998 (2021: £33,269,104) and corporate guarantees issued to lenders of its associates solar entities of £21,760,986 (2021: £23,300,131).

The Group has exposure to credit risk from accounts receivable balances on sale of electricity. The operating entities of the Group has entered into power purchase agreements with distribution companies incorporated by the Indian state government (TANGEDCO) to sell the electricity generated therefore the Group is committed to sell power to these customers and the potential risk of default is considered low. For other customers, the Group ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed industries engaged in their respective field of business. It is Group policy to assess the credit risk of new customers before entering contracts and to obtain credit information during the power purchase agreement to highlight potential credit risks. The Group have established a credit policy under which customers are analysed for credit worthiness before power purchase agreement is signed. The Group's review includes external ratings,when available, and in some cases bank references. The credit worthiness of customers to which the Group grants credit in the normal course of the business is monitored regularly and incorporates forward looking information and data available. The receivables outstanding at the year end are reviewed till the date of signing the financial statements in terms of recoveries made and ascertain if any credit risk has increased for balance dues. Further, the macro economic factors and specific customer industry status are also reviewed and if required the search and credit worthiness reports, financial statements are evaluated. The credit risk for liquid funds is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

To measure expected credit losses, trade and other receivables have been grouped together based on shared credit risk characteristics and the days past due. The Group determined that some trade receivables were credit impaired as these were long past their due date and there was an uncertainty about the recovery of such receivables. The expected loss rates are based on an ageing analysis performed on the receivables as well as historical loss rates. The historical loss rates are adjusted to reflect current and forward looking information that would impact the ability of the customer to pay.

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of the debtor to engage in a repayment plan, the debtor is not operating anymore and a failure to make contractual payments for a period of greater than 180 days.

31 March 2022	Within Credit Period	Days past due			Total
		More than 30 days	More than 60 days	More than 180 days	
Expected general loss allowance rate	0%	0%	0%	73.19%	54.68%
Gross carrying amount - Trade Receivables -TANGEDCO	727,191	656,818	2,158,116	7,199,394	10,741,520
Gross carrying amount - Trade Receivables -Others	1,760,732	939,318	86,005	5,466,037	8,252,092
General loss allowance	-	-	-	10,385,677	10,385,677
Total Loss allowance	**-**	**-**	**-**	**10,385,677**	**10,385,677**

31 March 2022	Within Credit Period	Days past due			Total
		More than 30 days	More than 60 days	More than 180 days	
Expected loss rate	0%	0%	0%	33.02%	58.76%
Gross carrying amount - Trade Receivables - TANGEDCO	1,651,140	1,686,225	2,218,844	15,097,765	20,653,974
Gross carrying amount - Trade Receivables -Others	7,862,837	1,154,009	460,326	5,831,930	15,309,103
General loss allowance	-	-	252,404	6,910,677	7,163,081
Specific loss allowance				13,970,007	13,970,007
Total Loss allowance	**-**	**-**	**252,404**	**20,880,684**	**21,133,088**

The closing loss allowances for trade receivables as at 31 March 2022 reconciles to the opening loss allowances as follows:

	31 March 2022	31 March 2021
Opening loss allowance as at 1 April	21,133,088	18,108,033
(Reversal)/Increase in loss allowance	(10,747,411)*	3,025,055
Total	**10,385,677**	**21,133,088**

*Out of this amount, (3,228,971) was adjusted in revenue and the balance (7,518,440) was adjusted in individual accounts of the receivables.

The Group's management believes that all the financial assets, except as mentioned above are not impaired for each of the reporting dates under review and are of good credit quality.

Liquidity risk analysis

The Group's main source of liquidity is its operating businesses. The treasury department uses regular forecasts of operational cash flow, investment and trading collateral requirements to ensure that sufficient liquid cash balances are available to service on-going business requirements. The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 90 day projection. Long-term liquidity needs for a 90 day and a 30 day lookout period are identified monthly.

The Group maintains cash and marketable securities to meet its liquidity requirements for up to 60 day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The following is an analysis of the group contractual undiscounted cash flows payable under financial liabilities at 31 March 2022 and 31 March 2021.

As at 31 March 2021	Current	Non Current		Total
		1 - 5 Years	Later than 5 Years	
Borrowings	13,399,429	9,759,610	-	23,159,039
Non-Convertible Debentures	-	20,126,738	-	20,126,738
Trade and other payables	24,440,324	630,358	-	25,070,682
Other liabilities	-	36,228	-	36,228
Other current liabilities	569,199	-	-	569,199
Total	**38,408,952**	**30,552,934**	**-**	

				68,961,886

As at 31 March 2021	Current	Non Current		Total
		1 - 5 Years	Later than 5 Years	
Borrowings	4,510,358	22,260,206	-	26,770,564
Non-Convertible Debentures	-	19,840,089	-	19,840,089
Interest on Borrowings	6,803,137	7,816,034	-	14,619,171
Trade and other payables	32,495,799	607,702	-	33,103,501
Other current liabilities	1,226,309	-	-	1,226,309
Total	**45,035,603**	**50,524,031**	**-**	**95,559,634**

Capital management

Capital includes equity attributable to the equity holders of the parent and debt less cash and cash equivalents.

The Group's capital management objectives include, among others:

- Ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.
- Ensure Group's ability to meet both its long-term and short-term capital needs as a going concern.
- To provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the years end 31 March 2022.

The Group maintains a mixture of cash and cash equivalents, long-term debt and short-term committed facilities that are designed to ensure the Group has sufficient available funds for business requirements. There are no imposed capital requirements on Group or entities, whether statutory or otherwise.

The Capital for the reporting periods under review is summarised as follows:	**31-Mar-22**	**31-Mar-21**
Total equity	17,00,66,254	16,15,67,070
Less: Cash and cash equivalent	-76,91,392	-89,20,952
Capital	**16,23,74,862**	**15,26,46,118**
Total equity	17,00,66,254	16,15,67,070
Add: Borrowings	4,32,85,777	4,66,10,653
Overall financing	**21,33,52,031**	**20,81,77,723**
Capital to overall financing ratio	**0.76**	**0.73**

29 Summary of financial assets and liabilities by category and their fair values

	Carrying Amount		**Fair Value**	
	31 March 2022	**31 March 2022**	**31 March 2022**	**31 March 2022**
Financial assets measured at amortised cost	7,691,392	8,920,952	7,691,392	8,920,952
Cash and cash equivalents 1				
Restricted cash1	12,819,951	11,413,768	12,819,951	11,413,768
Current trade receivables1	8,607,935	14,829,989	8,607,935	14,829,989
Other long-term assets	12,140	69,853	12,140	69,853
Other short-term assets	2,724,296	2,736,262	2,724,296	2,736,262
Financial instruments measured at fair value through profit or loss				
Other short term assets - (Note 16 & 19) Investments in Mutual funds	23,458,627	15,069,292	23,458,627	15,069,292
	55,314,341	**53,040,116**	**55,314,341**	**53,040,116**
Financial liabilities measured at amortised cost				
Term loans[2]	23,159,039	26,770,564	23,159,039	26,770,564
Non-Convertible Debentures[2]	20,126,738	19,840,089	20,126,738	19,840,089
Current trade and other payables [1]	24,440,324	32,495,799	24,440,324	32,495,799
Provision for pledged deposits	36,228	-	36,228	-
Non-current trade and other payables [2]	630,358	607,702	630,358	607,702
	68,392,687	**79,714,154**	**68,392,687**	**79,714,154**

The fair value of the financial assets and liabilities are included at the price that would be received to sell an asset or paid to transfer a liability (i.e. an exit price) in an ordinary transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values.

1. Cash and short-term deposits, trade receivables, trade payables, and other borrowings like short-term loans, current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair value of loans from banks and other financial indebtedness, obligations under finance leases, financial liabilities at fair value through profit or loss as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.
3. Fair value of financial assets measured at FVPL held for trading purposes are derived from quoted market prices in active markets. Fair value of financial assets measured at FVPL of unquoted equity instruments are derived from valuation performed at the year end. Fair Valuation of retained investments in PS and BV is on basis of the last transaction.

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	**Level 2**	**Level 3**	**Total**
Financial instruments measured at fair value through profit or loss				
2022				
Quoted securities	23,458,627	-	-	23,458,627
Total	**23,458,627**	**-**	**-**	**23,458,627**
2021				
Quoted securities	15,069,292	-	-	15,069,292
Total	**15,069,292**	**-**	**-**	**15,069,292**

There were no transfers between Level 1 and 2 in the period. Investments in mutual funds are valued at closing net asset value (NAV).

The Group's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The finance team reports directly to the chief financial officer (CFO).

Valuation processes and fair value changes are discussed by the Board of Directors at least every year, in line with the Group's reporting dates.

30 Ultimate controlling party

As disclosed in the Directors' Report the ultimate controlling party is considered to be the Gupta family by virtue of their majority shareholding in the Group.