



Corporate Office:  
Airport Building 302, 1<sup>st</sup> Floor,  
New Shakti Bhawan  
New Udaan Bhawan Complex,  
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May 5, 2023

The Bombay Stock Exchange  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai- 400001

Dear Sir/ Madam,

**Sub: Financial Statement under Clause 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Ref: Company Code: 10776; Company: GMR Warora Energy Limited**

The Board of Directors of the Company at its meeting concluded today, i.e. on May 5, 2023, at 9:59 PM has unanimously approved the Annual Audited Financial Statements of the Company along with Annual Audit Report for the year ended March 31, 2023.

Please find enclosed the annual audited financial statements of the Company along with annual Audit Report for the year ended March 31, 2023.

Further we hereby declare that the Audit Report has no qualifications or adverse remarks and is an audit report with unmodified opinion.

This is for your information and records please.

Thanking you,

Yours Sincerely,

**For GMR Warora Energy Limited**

Sanjay

Kumar Babu

Digitally signed by  
Sanjay Kumar Babu  
Date: 2023.05.05  
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**Company Secretary**

M. No. FCS8649

*Regd. Office:*

701/704, 7<sup>th</sup> Floor, Naman Centre,  
A Wing Bandra Kurla Complex, Bandra (East),  
Mumbai, Maharashtra, India - 400051

*Site Office:*

Plot No. B-1 & B7, Mohabala MIDC Growth Centre,  
Post & Tehsil- Warora, Dist. Chandrapur,  
Maharashtra 442907

**Independent Auditor's Report on the Quarterly and Year to date Audited Ind AS Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To**  
**The Board of Directors of**  
**GMR Warora Energy Limited**

**Report on the audit of the Ind AS Financial Results****Opinion**

We have audited the accompanying statement of quarterly and year to date Ind AS financial results of GMR Warora Energy Limited (the "Company") for the quarter ended March 31, 2023 and for the year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

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

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit for the quarter ended March 31, 2023 and for the year ended March 31, 2023, other comprehensive income for the quarter ended March 31, 2023 and other comprehensive loss for the year ended March 31, 2023 and other financial information of the Company for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Ind AS Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matters**

We draw attention to the following matters in the notes to the accompanying Ind AS financial results for the quarter ended March 31, 2023 and for the year ended March 31, 2023:

- (i) Note 3 in connection with the realization of trade receivables and unbilled revenue (including claims towards change in law events, increased coal cost pass through and carrying costs thereof and capacity charges outstanding from one of its customers during the period of lockdown based on declared capacity) of Rs. 8,822.24 million of the Company, which are pending settlement/ realization as on March 31, 2023. The management of the Company based on its internal assessment, legal expert advice and certain interim favourable regulatory orders for claims made by the Company as detailed in note 3 to the accompanying Ind AS financial results is of the view that the aforesaid balances are fully recoverable as at March 31, 2023.



- (ii) Note 6 in connection with the dispute pertaining to transmission charges with Maharashtra State Electricity Distribution Company Limited ('MSEDCL'). The Company has disputed the contention of MSEDCL that the cost of transmission charges are to be paid by the Company. Accordingly, the Company has not accounted the aforesaid transmission charges in the accompanying Ind AS financial results for the years from March 17, 2014 up to March 31, 2023 based on a favourable Order received by the Company from APTEL. MSEDCL have preferred an appeal with Hon'ble Supreme Court of India against the aforesaid APTEL order and the matter is pending conclusion.
- (iii) Note 7 in connection with the amounts due to certain vendors which are outstanding beyond permissible time period under the Foreign Exchange Management Act ('FEMA'). Pending filing for condonation of delay with competent authority no adjustments are made to the accompanying Ind AS financial results for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

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

## **Management's Responsibilities for the Ind AS Financial Results**

The Statement has been prepared on the basis of the annual Ind AS financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit for the quarter ended March 31, 2023 and for the year ended March 31, 2023, other comprehensive income for the quarter ended March 31, 2023 and other comprehensive loss for the year ended March 31, 2023 of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibilities for the Audit of the Ind AS Financial Results**

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

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

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



# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

## Other Matter

- (i) The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**Sandeep  
Karnani** Digitally signed by  
Sandeep Karnani  
Date: 2023.05.05  
21:48:52 +05'30'

per Sandeep Karnani

Partner

Membership No.: 061207



UDIN: 23061207BGYKUR6772

Place: Bengaluru

Date: May 05, 2023

## Statement of assets and liabilities

		(Rs. in millions)	
	Particulars	March 31, 2023	March 31, 2022
		(Audited)	(Audited)
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	Property, plant and equipment	24,094.96	29,459.81
	Capital work in progress	41.51	84.15
	Intangible assets	4.70	1.34
	Right-of-use assets	331.12	335.12
	Financial assets		
	Investments (Rs. 2,500 (March 31, 2022: Rs. 2,500))	0.00	0.00
	Trade receivables	2,780.82	-
	Other financial assets	1,888.53	992.76
	Non-current tax assets (net)	37.01	17.36
	Other non-current assets	29.45	7.26
	<b>Total non-current assets</b>	<b>29,208.10</b>	<b>30,897.80</b>
<b>2</b>	<b>Current assets</b>		
	Inventories	364.76	375.59
	Financial assets		
	Trade receivables	6,041.42	7,621.39
	Cash and cash equivalents	121.07	76.06
	Other financial assets	63.83	52.29
	Other current assets	368.44	1,014.37
	<b>Total current assets</b>	<b>6,959.52</b>	<b>9,139.70</b>
	<b>Total assets (1+2)</b>	<b>36,167.62</b>	<b>40,037.50</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>EQUITY</b>		
	Equity share capital	9,449.10	8,700.00
	Other equity	(3,454.47)	(5,413.19)
	<b>Total equity</b>	<b>5,994.63</b>	<b>3,286.81</b>
	<b>LIABILITIES</b>		
<b>2</b>	<b>Non-current liabilities</b>		
	Financial liabilities		
	Borrowings	23,226.62	23,369.47
	Net employee defined benefit liabilities	5.61	6.22
	Provisions	70.83	65.71
	<b>Total non-current liabilities</b>	<b>23,303.06</b>	<b>23,441.40</b>
<b>3</b>	<b>Current liabilities</b>		
	Financial liabilities		
	Borrowings	4,889.33	11,317.41
	Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	32.63	97.64
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	868.62	790.46
	Other financial liabilities	705.93	735.63
	Other current liabilities	30.12	27.37
	Net employee defined benefit liabilities	10.06	6.53
	Provisions	58.08	59.09
	Liabilities for current tax (net)	275.16	275.16
	<b>Total current liabilities</b>	<b>6,869.93</b>	<b>13,309.29</b>
	<b>Total liabilities (2+3)</b>	<b>30,172.99</b>	<b>36,750.69</b>
	<b>Total equity and liabilities (1+2+3)</b>	<b>36,167.62</b>	<b>40,037.50</b>



GMR Warora Energy Limited						
Corporate Identification Number (CIN): U40100MH2005PLC155140						
Registered Office: 701/704, 7th Floor, Naman Centre, A-Wing, BKC, Bandra, Mumbai - 400 051						
Statement of Ind AS financial results for the quarter ended March 31, 2023 and for the year ended March 31, 2023						
(Rs. in millions)						
Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2023 (Refer note 13 below)	December 31, 2022 Unaudited	March 31, 2022 (Refer note 13 below)	March 31, 2023 Audited	March 31, 2022 Audited
1	<b>Revenue:</b>					
	(a) Revenue from operations (refer note 3)	4,773.14	4,312.67	4,167.83	16,345.39	12,994.04
	(b) Other income	109.49	267.48	53.45	635.40	1,088.32
	<b>Total revenue</b>	<b>4,882.63</b>	<b>4,580.15</b>	<b>4,221.28</b>	<b>16,980.79</b>	<b>14,082.36</b>
2	<b>Expenses</b>					
	(a) Consumption of fuel	3,125.29	2,693.79	2,348.04	10,162.01	7,733.11
	(b) Employee benefit expenses	125.77	125.58	104.26	495.38	441.19
	(c) Finance costs	635.62	643.52	956.57	2,953.53	3,827.77
	(d) Depreciation and amortization expenses	267.74	270.42	290.98	1,094.12	1,177.40
	(e) Transmission charges (refer note 6)	44.31	69.84	29.81	241.52	456.79
	(f) Other expenses	441.10	241.14	389.19	1,212.29	1,128.44
	<b>Total expenses</b>	<b>4,639.83</b>	<b>4,044.29</b>	<b>4,118.85</b>	<b>16,158.85</b>	<b>14,764.70</b>
3	<b>Profit / (loss) before exceptional items and tax (1 - 2)</b>	<b>242.80</b>	<b>535.86</b>	<b>102.43</b>	<b>821.94</b>	<b>(682.34)</b>
4	<b>Exceptional items</b>					
	(a) Gain / (loss) on account of restructuring of borrowings and interest accrued thereon (refer note 8)	-	-	-	5,547.00	-
	(b) Provision for impairment in carrying value of property, plant and equipment (refer note 5)	-	-	-	(4,690.20)	-
	<b>Total exceptional items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>856.80</b>	<b>-</b>
5	<b>Profit / (loss) after exceptional items and before tax (3 - 4)</b>	<b>242.80</b>	<b>535.86</b>	<b>102.43</b>	<b>1,678.74</b>	<b>(682.34)</b>
6	<b>Tax expenses</b>					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax (credit) / charge	-	-	-	-	(195.39)
7	<b>Profit / (loss) after tax (5 ± 6)</b>	<b>242.80</b>	<b>535.86</b>	<b>102.43</b>	<b>1,678.74</b>	<b>(486.95)</b>
8	<b>Other comprehensive income/ (expenses) (net of tax)</b>					
	(A) (i) Items that will not be reclassified to profit or loss	0.56	(1.40)	(0.81)	(2.44)	(5.04)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	(0.09)
	(B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
9	<b>Total comprehensive income for the period / year (Comprising profit / (loss) and other comprehensive income / (expenses) (net of tax) for the period / year (7 ± 8))</b>	<b>243.36</b>	<b>534.46</b>	<b>101.62</b>	<b>1,676.30</b>	<b>(492.08)</b>
10	<b>Paid-up equity share capital (Face value of Rs. 10 per share)</b>	9,449.10	9,449.10	8,700.00	9,449.10	8,700.00
11	<b>Paid up debt capital (refer note 9)</b>	8,432.21	8,523.52	750.00	8,432.21	750.00
12	<b>Debenture redemption reserve (refer note 10)</b>	187.50	187.50	187.50	187.50	187.50
13	<b>Earnings per share (EPS) (of Rs 10 each) (not annualised)</b>					
	(a) Basic EPS	0.22	0.48	0.10	1.53	(0.47)
	(b) Diluted EPS	0.22	0.48	0.10	1.53	(0.47)
14	<b>Weighted average number of equity shares for calculation of:</b>					
	(a) Basic EPS	1,114,918,542	1,114,918,542	1,040,008,060	1,096,447,464	1,040,008,060
	(b) Diluted EPS	1,114,918,542	1,114,918,542	1,040,008,060	1,096,447,464	1,040,008,060
15	<b>Net worth (refer note 11)</b>	5,994.63	5,751.94	3,286.81	5,994.63	3,286.81
16	<b>Ratios (refer note 11)</b>					
	Debt equity ratio	4.69	4.99	10.55	4.69	10.55
	Debt service coverage ratio (DSCR)*	0.67	1.05	1.34	0.93	0.97
	Interest service coverage ratio (ISCR)*	1.76	2.20	1.40	1.62	1.13
	Current ratio	1.01	1.03	0.69	1.01	0.69
	Long term debt to working capital	12.84	11.34	7.32	12.84	7.32
	Bad debts to Account receivable ratio*	0.01	0.00	0.01	0.02	0.02
	Current liability ratio	0.23	0.22	0.36	0.23	0.36
	Total debts to total assets	0.78	0.79	0.87	0.78	0.87
	Debtors turnover*	0.54	0.51	0.55	1.99	1.76
	Inventory turnover*	6.73	4.61	6.51	27.95	21.19
	Operating margin (%)*	16.11%	21.14%	24.13%	19.21%	15.83%
	Net profit margin (%)*	5.09%	12.43%	2.46%	5.03%	(3.75%)

\*Ratios for the quarter ended have not been annualised.



Statement of cash flows		(Rs. in millions)	
Particulars	March 31, 2023	March 31, 2022	
	(Audited)	(Audited)	
<b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>			
Profit / (loss) after exceptional items and before tax	1,678.74	(682.34)	
Non-cash adjustments to reconcile profit / (loss) before tax to net cash flows:			
Exceptional items (refer note 5 and 8)	(856.80)	-	
Depreciation and amortisation expenses	1,094.12	1,177.40	
Loss on disposal / sale of property, plant and equipment (net)	35.28	0.04	
Impairment allowance (including trade advances written off)	125.27	209.06	
Net foreign exchange differences	34.09	14.69	
Provisions/liabilities no longer required, written back	(1.09)	(1.84)	
Finance costs	2,953.53	3,827.77	
Interest income	(596.69)	(1,058.70)	
<b>Operating profit before working capital changes</b>	<b>4,466.45</b>	<b>3,486.08</b>	
<b>Movements in working capital :</b>			
(Increase) / decrease in inventories	10.83	(6.93)	
(Increase) / decrease in trade receivables	(1,338.00)	(258.18)	
(Increase) / decrease in other financial assets and other assets	681.23	(1,120.06)	
(Decrease) / increase in trade payables	14.24	(287.80)	
(Decrease) / increase in other financial liabilities, other liabilities, net employee defined benefit liabilities and provisions	8.17	(43.20)	
<b>Cash generated from operations</b>	<b>3,842.92</b>	<b>1,769.91</b>	
Direct taxes (paid) / refund (net)	(19.65)	(7.55)	
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>3,823.27</b>	<b>1,762.36</b>	
<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment, including capital work in progress and intangible assets	(481.21)	(151.56)	
Investment in bank deposits (having original maturity of more than three months)	(927.89)	(742.26)	
Interest income received	571.66	1,052.72	
<b>Net cash flow (used in) / from investing activities (B)</b>	<b>(837.44)</b>	<b>158.90</b>	
<b>CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>			
Proceeds from capital contribution by holding company	647.21	-	
Proceeds from borrowings	-	59.20	
Repayment of borrowings	(2,203.42)	(620.92)	
Proceeds from short-term borrowings (net of repayment)	282.68	(522.60)	
Finance costs paid	(1,667.29)	(856.45)	
<b>Net cash flow (used in) / from financing activities (C)</b>	<b>(2,940.82)</b>	<b>(1,940.77)</b>	
<b>Net (decrease) / increase in cash and cash equivalents (A + B + C)</b>	<b>45.01</b>	<b>(19.51)</b>	
Cash and cash equivalents as at the beginning of the year	76.06	95.57	
<b>Cash and cash equivalents as at the end of the year*</b>	<b>121.07</b>	<b>76.06</b>	
<b>*Components of cash and cash equivalents</b>			
<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	
	<b>(Audited)</b>	<b>(Audited)</b>	
Cash on hand	0.06	0.01	
Balances with banks	121.01	76.05	
<b>Total cash and cash equivalents</b>	<b>121.07</b>	<b>76.06</b>	



## Notes to the Ind AS financial results for the quarter ended March 31, 2023 and for the year ended March 31, 2023

1. GMR Warora Energy Limited ('GWEL' or 'the Company') is a public limited Company domiciled in India. The registered office of the Company is located at Naman Centre, Bandra Kurla Complex, Mumbai, India. The Company is engaged in the business of generation and sale of electricity energy from its 600 MW plant situated at Warora, Maharashtra, India.
2. The Ind AS financial results of the Company for the quarter ended March 31, 2023 and for the year ended March 31, 2023 have been reviewed by the Audit Committee in their meeting on May 05, 2023 and approved by the Board of Directors in their meeting on May 05, 2023.
3. (a) The Company has outstanding trade receivables and unbilled revenue of Rs. 8,822.24 million as at March 31, 2023. The Company has claimed compensation for various "change in law" events including coal cost pass through, fly ash transportation, duties and taxes, carrying cost etc. from its customers under the Power Purchase Agreements ('PPA') and filed petitions with the regulatory authorities for settlement of such claims in favour of the Company. Based on certain interim favourable orders by Central Electricity Regulatory Commission ('CERC') the management is confident of settlement of claims (including interest thereon) made by the Company in its favour and has accordingly accounted Rs. 11,815.20 million till the period ended March 31, 2023 (including Rs. 1,552.83 million accounted during the year ended March 31, 2023). The management of the Company based on its internal assessment, legal expert advice and certain interim favourable regulatory orders, is of the view that the aforesaid balances are fully recoverable as at March 31, 2023 and accordingly, has not made any adjustments in the Ind AS financial results of the Company for the quarter ended March 31, 2023 and for year ended March 31, 2023.  
  
(b) The Company received notices from one of its customer disputing payment of capacity charges of Rs 1,320.06 million for the period March 23, 2020 to June 30, 2020 as the customer had not availed power during the said period sighting force majeure on account of COVID 19 pandemic. The Company responded and clarified that the said situation is not covered under force majeure clause in view of the clarification by the Ministry of Power stating that Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. The customer was of the view that the aforesaid clarification by the Ministry of Power cannot override the terms of the PPA and continue to dispute the payment thereof. Also, the PPA with the customer expired in June 2020. Further, during the year ended March 31, 2021, the Company filed petition with CERC for settlement of the dispute. During the quarter ended March 31, 2022, the said petition was decided in favour of the Company vide CERC order dated January 20, 2022 wherein CERC directed the customer to pay the aforesaid outstanding capacity charges along with delayed payment surcharge within 60 days from the date of the aforesaid order. The customer filed an appeal against the said CERC order with Appellate Tribunal for Electricity ('APTEL'). During the quarter ended June 30, 2022, APTEL issued an interim order and directed the customer to pay 25% of the principal amount within a period of one week from the date of its interim order to the Company and deposit the balance outstanding amount in an interest-bearing fixed deposit receipt with a nationalized bank. However, the Company has not received any amount from the customer and the matter is pending conclusion. The management of the Company based on its internal assessment, legal expert advice, petition filed with CERC and favourable order received thereof, is of the view that the aforesaid capacity charges are fully recoverable and accordingly has not made any adjustments in the Ind AS financial results of the Company for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

The statutory auditors of the Company have drawn an Emphasis of Matter in their Independent Auditor's Report in this regard.

4. The Company has accumulated losses of Rs. 5,854.39 million as at March 31, 2023 which has resulted in substantial erosion of the net worth of the Company. There had been delays in repayment of dues to the lenders on account of the delay in the receipt of receivables from its customers as detailed in note 3 above, thereby resulting in lowering of credit ratings for the Company's borrowings. However, the Company has successfully implemented Resolution Plan under Prudential Framework for Resolution of Stressed Assets, as prescribed by the RBI as detailed in note 8 and has made profits before taxes for the year ended March 31, 2023 and have favourable interim orders towards the aforementioned claims. Considering the aforesaid factors, the Company has performed going concern assessment and has prepared cashflow forecast which depends on the estimates and judgement with respect to key variables, market conditions, future economic conditions such as entering into Power Purchase Agreement ('PPA') and fully utilizing the capacity of 200 MW after expiry of new PPA with one of the customers in January 2024, conclusion and timely realisation of claims with Discoms currently under dispute for various change in law events as detailed in note 3 above, enhancement in the operational performance of the plant including ramp up in generation and availability of coal with higher gross calorific value at competitive rates, etc., which the Company believes reasonably reflect the future expectations and believes it has sufficient liquidity based on the expected cash to be generated from operations to meet its financial obligations as they fall due for the following twelve months and as per the Resolution Plan. Accordingly, the Ind AS financial results of the Company continue to be prepared on a going concern basis which contemplates realisation of current assets and settlement of current liabilities in an orderly manner.



## Notes to the Ind AS financial results for the quarter ended March 31, 2023 and for the year ended March 31, 2023

5. The management of the Company carried out a valuation assessment of its Property, Plant and Equipment ('PPE') during the quarter ended June 30, 2022 by an external expert. The valuation assessment includes certain key assumptions such as fully utilizing the capacity of 200 MW after expiry of new PPA with one of the customers in January 2024, conclusion and timely realisation of claims with Discoms currently under dispute for various change in law events as detailed in note 3(a) above, enhancement in the operational performance of the plant including ramp up in generation and availability of coal with higher gross calorific value at competitive rates, compliance with the terms of the resolution plan as detailed in note 8. Based on an internal assessment and valuation carried out by an external expert, the Company accounted for an impairment loss of Rs. 4,690.20 million during the quarter ended June 30, 2022 which has been disclosed as an exceptional item in the Ind AS financial results for the year ended March 31, 2023.
6. The Company has a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') for sale of power for an aggregate contracted capacity of 200 MW. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC directed the Company to construct separate lines for evacuation of power through State Transmission Utility ('STU') though the Company was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, the Company preferred an appeal with Appellate Tribunal for Electricity ('APTEL'). APTEL vide its interim Order dated February 11, 2014 directed the Company to start scheduling the power from the Company's bus bar and bear transmission charges of inter-state transmission system towards supply of power. The Company in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld the Company's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by the Company as per its interim order. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and the matter is pending conclusion. The Company has raised claim of Rs 6,163.31 million towards reimbursement of transmission charges from March 17, 2014 till the Notification No. L-1/250/2019/CERC whereby the transmission charges are being directly billed to the respective customers (DISCOMS) by Power Grid Corporation of India Limited and accordingly the Company has not received transmission charges related invoices for the period December 2020 to March 2023. Though there is a change in the invoicing mechanism, the final obligation towards the transmission charges will be decided based on the order of the Hon'ble Supreme Court of India as stated above.

In view of the favourable Order from APTEL, receipt of substantial amounts towards reimbursement of transmission charges and legal expert advice, the Company has recognized the reimbursement of transmission charges of Rs. 6,163.31 million from March 17, 2014 to March 31, 2023 as reduction in the cost of transmission in the Statement of profit and loss. Further the cost of transmission charges as stated with effect from December 2020 is directly invoiced by Power Grid Corporation of India Limited to DISCOMS and has been disclosed as contingent liability pending the final outcome of the matter in the Hon'ble Supreme Court of India.

The statutory auditors of the Company have drawn an Emphasis of Matter in their Independent Auditor's Report in this regard.

7. As at March 31, 2023 the amount payable in foreign currency to certain vendors of USD 5.25 million is outstanding for more than 3 years. The Company is in the process of filing necessary documents with the RBI and is confident that such delays will not require any adjustments to the Ind AS financial results of the Company for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

The statutory auditors of the Company have drawn an Emphasis of Matter in their Independent Auditor's Report in this regard.

8. The Company has been facing financial stress due to COVID- 19 pandemic and other factors as detailed in notes 3 and 4. Further most of the borrowing facilities of the Company had become Special Mention Account-2/Non-Performing Assets and accordingly resolution process under Prudential Framework for Resolution of Stressed Assets, as prescribed by the RBI on June 07, 2019 ("Prudential Framework") was invoked on June 29, 2021 by default and Inter Creditors Agreement by majority of lenders was executed on July 27, 2021.

The lead lender issued a sanction letter dated April 05, 2022 for restructuring of loan facilities. As per the RBI circular stated above, a minimum approval of lenders representing 75% by value of total outstanding loan facilities and 60% of Lenders by number is required for approval of Resolution Plan. During the quarter ended June 30, 2022, the Company received the approvals from the aforesaid requisite lenders on the Resolution plan and consequently the Resolution plan was adopted in the board of directors meeting dated June 23, 2022 and approved by the shareholders in the Extraordinary general meeting dated June 24, 2022. Accordingly, the Company gave effect to the Resolution Plan and have recognised a gain on restructuring of borrowing facilities and interest accrued till June 30, 2022 of Rs. 5,547.00 million which was disclosed as an exceptional item in the Ind AS financial results for the year ended March 31, 2023. In the consortium meeting held on January 11, 2023, all the lenders have confirmed the implementation of Resolution Plan in their respective books of accounts.

9. Paid-up debt capital represents face value of outstanding non-convertible debentures and optionally convertible debentures issued by the Company (excluding provision for redemption and Ind AS adjustments) as at the period / year end.



## Notes to the Ind AS financial results for the quarter ended March 31, 2023 and for the year ended March 31, 2023

10. The Company has created Debenture Redemption Reserve of Rs.187.50 million as per the provisions of Section 71 of the Companies Act, 2013.
11. (a) Debt equity ratio represents total borrowings (long-term borrowings and short-term borrowings) / total equity (equity share capital + other equity).  
(b) Debt service coverage ratio (DSCR) represents earnings before interest, tax, depreciation and amortization expenses (net of interest income on bank deposits) and exceptional items / debt service (finance costs plus principal repayments of long-term borrowings made during the period).  
(c) Interest service coverage ratio (ISCR) represents earnings before interest, tax, depreciation and amortization expenses (net of interest income on bank deposits) and exceptional items / finance costs.  
(d) Current ratio represents current assets / current liabilities.  
(e) Long term debt to working capital represents long-term borrowings (including current maturities of long-term borrowings) / current assets less current liabilities (excluding current maturities of long-term borrowings).  
(f) Bad debts to Account receivable ratio represents allowance for bad and doubtful debts / average of opening and closing balances of trade receivables.  
(g) Current liability ratio represents current liabilities / total liabilities.  
(h) Total debts to total assets represents total borrowings (long-term borrowings, short-term borrowings and interest due on borrowings) / total assets.  
(i) Debtors turnover represents revenue from operations / average of opening and closing balances of trade receivables.  
(j) Inventory turnover represents consumption of fuel plus consumption of stores and spares/ average of opening and closing balances of inventory.  
(k) Operating margin (%) represents earnings before interest, tax and exceptional items (net of other income) / revenue from operations.  
(l) Net profit margin (%) represents profit/ (loss) (excluding exceptional items) after tax / revenue from operations.  
(m) Net worth represents total equity (equity share capital + other equity).
12. Listed Non-Convertible Debentures ('NCD') are secured and asset cover is more than one hundred percent of the Principal outstanding as on March 31, 2023. NCD together with other secured credit facilities are secured by way of;
- (i) a first pari-passu mortgage and charge on all the borrower's immovable properties including township property at the project site (leasehold and freehold), present and future;
- (ii) a first pari-passu charge on all the borrower's movables assets, including movable plant and machinery, machinery spares, tools, and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, and all intangibles, goodwill, uncalled capital, both present and future;
- (iii) a first pari-passu charge on all book debts, receivables, stocks, inventories, operating cash flows, commissions, revenues of whatsoever nature and wherever arising of the borrower, present and future;
- (iv) a first pari-passu charge on the trust and retention account, escrow account, debt service reserve sub-account and other reserves and any other bank accounts of the borrower wherever maintained, present and future;
- (v) a first pari-passu charge by way of assignment / hypothecation or creation of security interest of:
- (a) all the rights, title, interest, profits, benefits, claims and demands whatsoever of the borrower in the project documents (including but not limited to the Power Purchase Agreements (PPA) / Memorandum of Understanding (MoU) for sale of power, package / construction contracts, O&M related agreements, land lease agreements, fuel supply contracts/ long term linkages, service contracts, etc.), duly acknowledged consented by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time;
- (b) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances pertaining to the project;
- (c) all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in letter of credit, guarantee, performance bond, corporate guarantees, bank guarantees provided by any party to the project documents;
- (d) all insurance contracts / proceeds under insurance contracts;
- (vi) a first pari-passu charge on pledge by promoter of shares representing 68.13% (sixty eight decimal one three percent) of the total paid up equity share capital of the borrower, subject to Banking Regulation Act, 1949. The shares to be pledged shall be free from any restrictive covenants / lien or other encumbrance under any contract / arrangement including shareholder agreement/ joint venture agreement/ financing arrangement with regard to pledge/ transfer of the shares including transfer upon enforcement of the pledge and shall have full voting rights;



## Notes to the Ind AS financial results for the quarter ended March 31, 2023 and for the year ended March 31, 2023

The borrower further agrees that the balance equity shares constituting 23.94% (on diluted basis) of the total paid up equity share capital of the borrower currently pledged with Yes Bank Limited (as security for debt availed by GMR Energy Limited ('GEL'), Holding Company of the Company) shall (after the implementation of the Resolution Plan), be additionally pledged for the benefit of all the credit facility providers as and when the said pledge is released by Yes Bank Limited, and the borrower shall ensure execution of necessary pledge documentation to the satisfaction of the credit facility providers.

- (vii) Unconditional and irrevocable corporate guarantee of GMR Power and Urban Infra Limited ('GPUIL') guaranteeing the shortfall in promoter contributions, in the event the promoter group is unable to infuse the promoter contributions as per and in terms of the restructuring documents, which shall remain operative at all times until the promoter contributions are infused in the borrower in full by the promoter group to the satisfaction of the credit facility providers.
13. The figures of the last quarter ended March 31, 2023 and March 31, 2022 are the balancing figure between the audited figures in respect of the full financial year upto March 31, 2023 and March 31, 2022 respectively and the unaudited published year to date figures upto December 31, 2022 and December 31, 2021 respectively, being the date of the end of the third quarter of the financial year which were subjected to limited review.
14. Previous period / year's figures have been regrouped / reclassified, wherever necessary to confirm to current period's classification.

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

Dhananjay Vasantrao Deshpande  
Digitally signed by  
Dhananjay Vasantrao  
Deshpande  
Date: 2023.05.05  
21:17:44 +05'30'

**Dhananjay Deshpande**  
Whole Time Director  
DIN : 07663196



Place: Warora, Maharashtra  
Date: May 05, 2023