OPG
Power Ventures Plc

Powered by passion. Driven for more.

OPG Power Ventures Plc
FY2023 Annual Report & Accounts

Contents

Who we are

At OPG Power Ventures Plc (OPG), we operate and develop power generation assets in India. Currently, we have 414 MW of thermal power in operation, and an additional 62 MW of solar assets. Since our listing on the AIM Market of the London Stock Exchange in May 2008, we have demonstrated impressive growth, increasing our generating capacity from 20 MW to 476 MW. Throughout our journey, we have delivered strong results.

We see India as an exciting and dynamic market with significant opportunities in the power sector. India's low and rising per capita consumption of electricity, coupled with its overall economic growth estimates, creates a favourable environment for companies operating in this space.

With a strong track record in engineering, operations, and financial management, we are well-positioned to play a key role in this growing sector. We are committed to leveraging our expertise and experience to continue delivering sustainable growth while contributing to the development of India's power sector.

Climate Reporting:
Driving responsible progress

OPG Power Ventures Plc (OPG), which has its operating assets in India, is on a path to meet the country's "Net Zero" target by 2070, as declared in COP 26. The Paris Climate Agreement (COP21) calls for limiting this century's global temperature rise to below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase even further to 1.5°C. To achieve the Net Zero target, adopting sustainable practices that limit the carbon footprint across the entire value chain is essential.

OPG's plan of action, both current and in the future, will be to adopt best practices in the climate action pathway and to comply with the prevailing Indian government's regulations.

Measures taken to prevent emissions and impact on climate change

1

In December 2015, the Government of India issued a notification stating that all thermal power plants installed in the country must adhere to emission norms for Particulate Matter (PM), Sulphur Dioxide (SO_2), Oxides of Nitrogen (NOx), and water usage.

2

In accordance with these new emission norms, OPG made a significant capital expenditure (CAPEX) at its Chennai facility to install abatement technology in its boilers, ensuring that NOx emissions are maintained below the limit of 450 mg/Nm^3.

3

According to current guidelines, the Chennai facility is required to meet SO_2 emission limits by December 2026. It is worth noting that, historically, the facility has consistently achieved SO_2 emission values well below the prescribed limit by using low-sulphur coal.

4

OPG's Chennai facility is equipped with Air Cooled Condensers (ACC), which operate without the need for water. This results in a water requirement of less than 10 percent compared to regulatory norms. Additionally, the facility employs rainwater harvesting techniques on-site, promoting groundwater recharge and ensuring the sustainable availability of groundwater.

Development of a New Energy Portfolio

We intend to develop a new energy portfolio in line with India's proposed energy mix. In the second half of 2017, we invested in 62 MW of solar power in the state of Karnataka, India. This investment has resulted in a carbon emission offset of 545,474 tons for the total units of 520 million renewable energy generated up to FY23.

In the upcoming year, 2024, we are evaluating to install 2.5 MW of solar power within the premises of the Chennai Thermal Plant. This installation is estimated to help reduce emissions and our auxiliary power consumption by 4.51 million units, further contributing to our carbon offset by 4,798 tons.

Additionally, we have initiated the installation of solar lighting across our facilities.

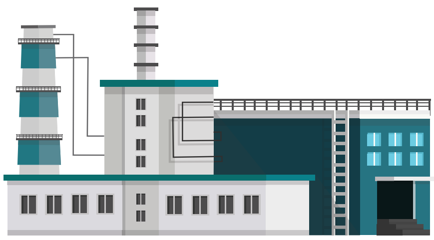
Reduction of Carbon footprint by growing Bamboo

To align with the Climate Action Plan for achieving Net Zero emissions, OPG has identified bamboo cultivation as a highly effective decarbonisation strategy.

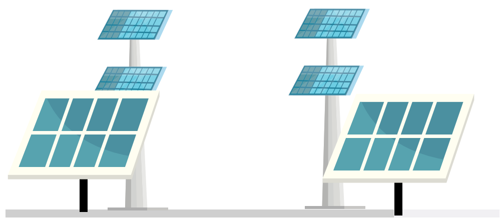
Incorporating sustainable bamboo biomass as a substitute fuel for coal in its primary operations will further diminish greenhouse gas emissions, contributing to OPG's commitment to environmental sustainability.

Bamboo grass is renowned as amongst the fastest-growing plant on Earth. Throughout its' growth, it efficiently absorbs substantial quantities of CO_2 from the atmosphere, storing it within its culms, leaves, and roots. By facilitating bamboo plantation and effective management, OPG accelerates the absorption and storage of atmospheric CO_2 emissions.

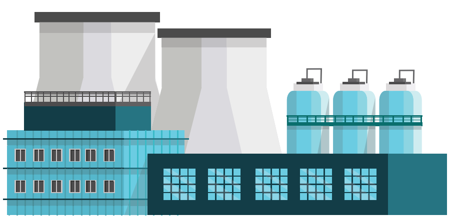
Measuring our progress



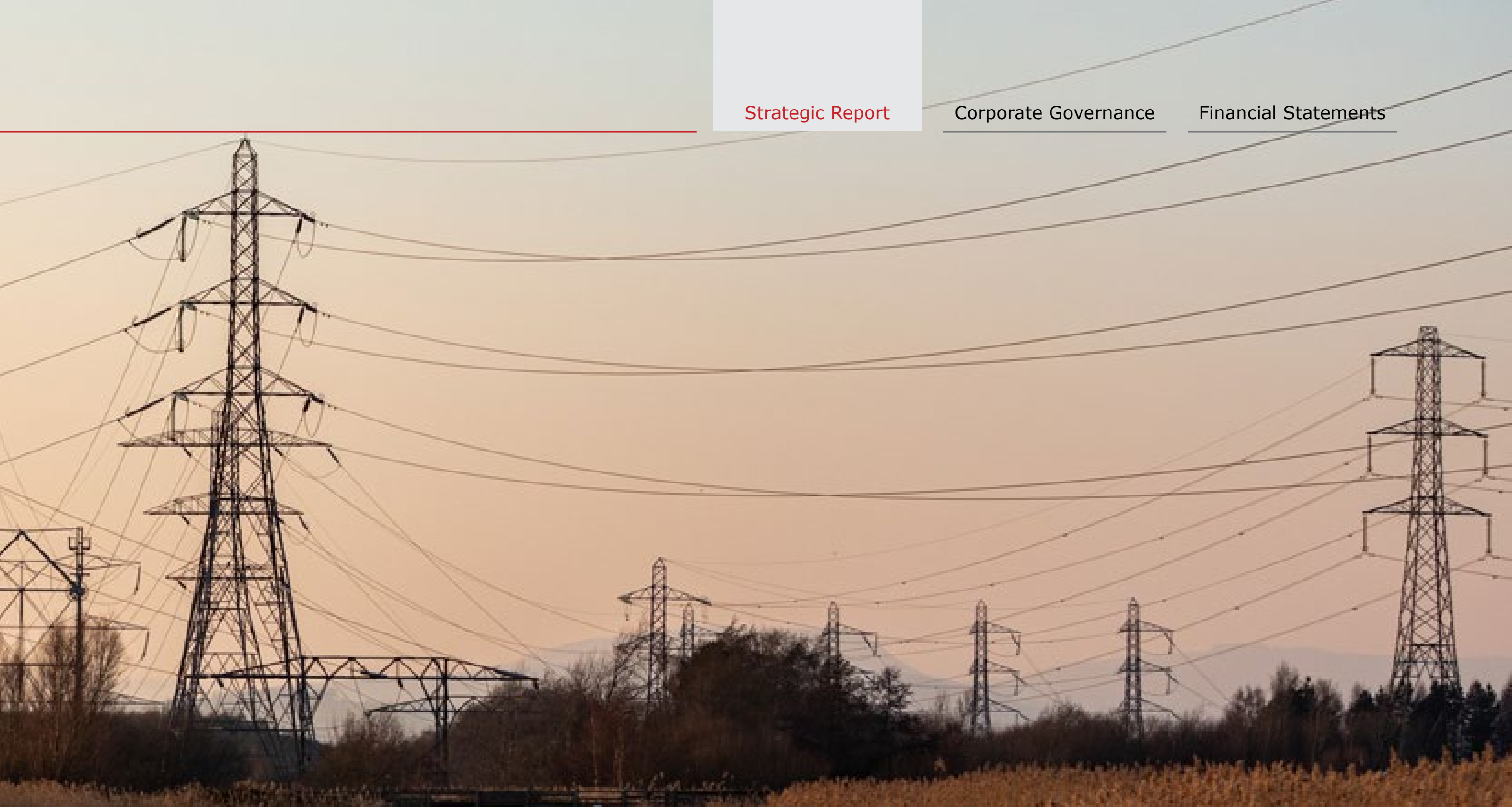
Revenue	(£ m)
FY 21	£93.8
FY 22	£80.1
FY 23	£58.7



Operating Profit	(£ m)
FY 21	£27.5
FY 22	£16.1
FY 23	£10.4



Adjusted EBITDA	(£ m)
FY 21	£33.7
FY 22	£21.6
FY 23	£16.1



Basic EPS (Pence)

FY 21	3.5
FY 22	1.5
FY 23	1.8

Net Debt/ Adjusted EBITDA (X)

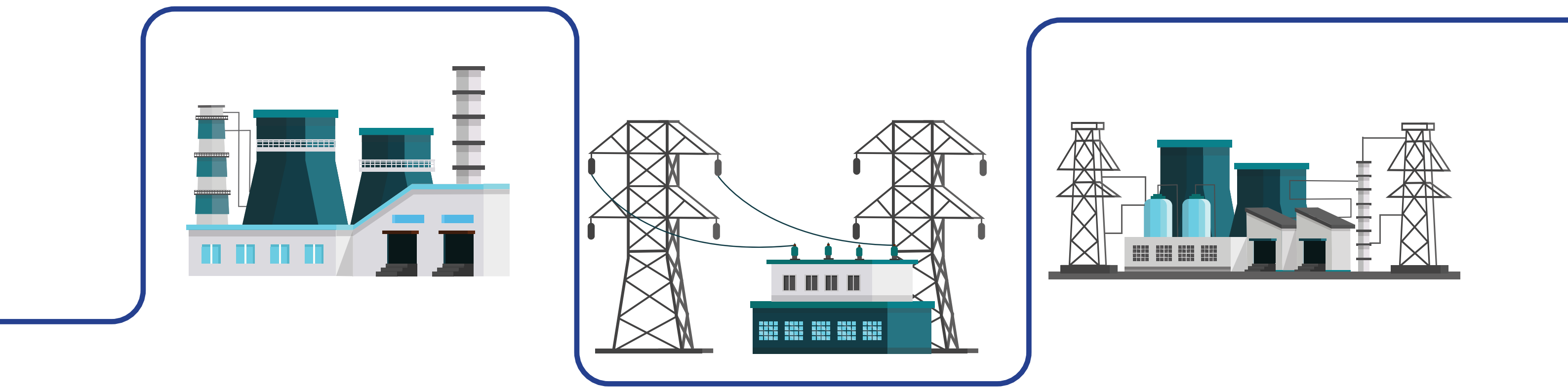
FY 21	0.48x
FY 22	0.32x
FY 23	1.00x

Profit Before Tax (£ m)

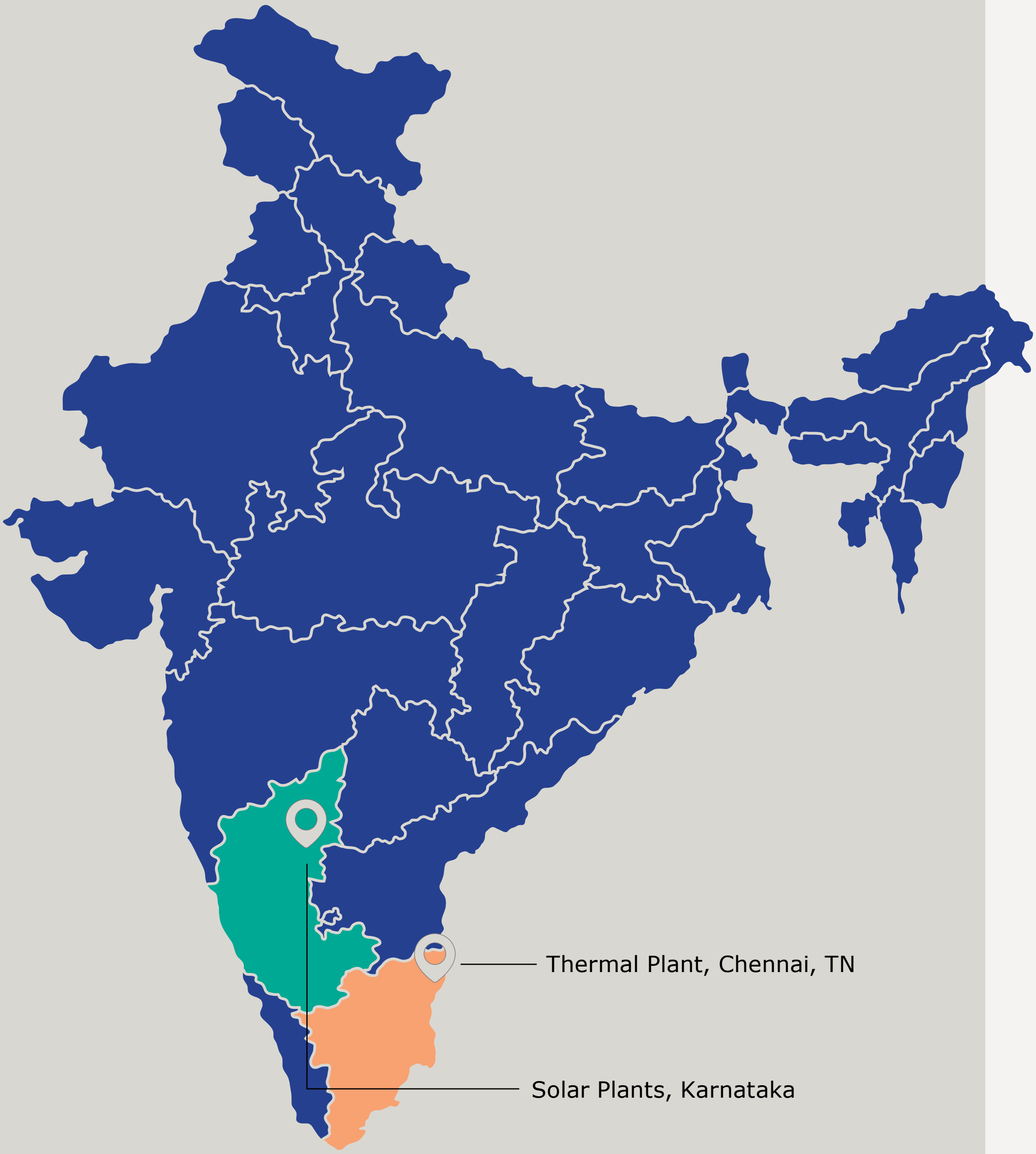
FY 21	£21.6
FY 22	£13.0
FY 23	£10.4

Net Debt (£ m)

FY 21	£16.2
FY 22	£6.9
FY 23	£16.1



Our Business operations



Plants and Power Generation

OPG Power Generation Pvt. Ltd.

414MW
Thermal Tamil Nadu

Aavanti Renewable Energy Pvt. Ltd. (AREPL)

20MW
Solar Karnataka

Aavanti Solar Energy Pvt. Ltd. (ASEPL)

20MW
Solar Karnataka

Brics Renewable Energy Pvt. Ltd. (BREPL)

02MW
Solar Karnataka

Mayfair Renewable Energy (I) Pvt. Ltd. (MREPL)

20MW
Solar Karnataka

Chairman's Statement

Despite ongoing uncertainties and emerging challenges, such as the Russia-Ukraine conflict and geopolitical tensions, India is well-positioned to achieve robust GDP growth rates.

Proof of Resilient Business

We are glad that in FY 23, OPG Power has achieved robust financial results across its key segments. This outcome serves as a testament to the agility and resilience of our business model to adapt to macroeconomic turbulence.

Just as the world was recovering from the after effects of COVID–19, it was shocked by Russia's invasion of Ukraine, which left lasting economic and political impacts, along with tragic humanitarian casualties. Supply bottlenecks, surges in commodity prices, disrupted trade relations, and elevated energy costs have contributed to a severe energy shortage, disrupting the otherwise recovering world economy post-COVID. Inflation in many developed countries has experienced a sudden and historic increase, surpassing 8 percent.

Numerous countries have found themselves in precarious positions, reliant on others for crucial resources. Consequently, there has been a global reassessment of supply chain strategies. The "China plus One" policy is gaining momentum as companies and nations seek to diversify their reliance away from China to alternative destinations. India, with its emphasis on local indigenous manufacturing, finds itself in a favourable position. Energy security and top-tier infrastructure will be pivotal to the success of this journey. The trifecta of manufacturing, infrastructure, and energy, combined with a focus on digitalisation, has the potential to drive India's economic growth further, unlock fresh business prospects, and generate employment opportunities. It is anticipated that India's GDP will double to US$7.5 trillion by 2031, with a significant increase in contribution from the manufacturing sector.

Despite ongoing uncertainties and emerging challenges, such as the Russia-Ukraine conflict and geopolitical tensions, India is well-positioned to achieve robust GDP growth rates. The Indian government's focus on initiatives like Aatma Nirbhar Bharat, Make in India, and the Performance Linked Incentive (PLI) schemes bode well for the industry's future.

Delivering Performance

In the current fiscal year, we operated in a challenging and uncertain macro-environment marked by prolonged geopolitical conflicts, subsequent energy shortages, and assertive monetary policies implemented by Central Banks. Our team delivered strong performance despite the challenges presented by volatile commodity markets and supply chain realignments. The Group reported revenue of £58.7 Million and an EBITDA of £16.1 Million. The Board has deemed it prudent to conserve cash in the best interests of the Group and its stakeholders. The conserved cash will be allocated towards debt repayment, the growth of ESG-focused projects, and maintaining a robust and resilient Balance Sheet to weather turbulent times.

Despite the challenges faced throughout the year, OPG has consistently generated strong cash flow and reduced its gross debt. The Group remains one of the least leveraged power generating companies in India.

Building a Sustainable Future

With a GDP growth rate of 6.8 percent (Source: IMF World Economic Outlook Projections, April 2023), India also witnessed a surge in power demand of approximately 10 percent during FY 23, reaching 132 Billion Units (Bus). This increased demand is driven not only by the Government of India's commitment to "Power for all" but also by factors like population growth, rapid urbanisation, industrialisation, the rising demand for air conditioning, and sustained economic expansion. In the fourth quarter of FY 22, energy prices soared to ₹20 per unit due to a peak in demand caused by an intense heatwave and coal shortages, prompting the invocation of Section 11 of the Electricity Act, 2003, urging thermal power plants to operate at full capacity.

Our investment in a strong culture of skill development, learning, and empowerment has made our business more agile. The relentless efforts of our teams, our resilient business model, and strategic leadership have collectively supported our performance. The achievements in FY 23 serve as a remarkable example of a company dedicated to sustainable growth on a significant scale.

Chairman's Statement (Contd.)

We are delighted to present our third standalone ESG report for FY 23, summarising our objectives, activities, and performance from an ESG perspective. This report showcases instances of how we have upheld our commitments and implemented our management approach across various ESG areas, including environmental stewardship, health and safety, community engagement, and corporate governance.

In the current volatile environment with high coal prices, company faced challenges and hence operated at low plant load factor with focus on profitable generation. Due to higher coal prices, OPG reduced its generation volumes. The performance of the company is discussed in detail in the CEO's and the CFO's review.

Indian Economy and Power Sector Update

To implement the Hon'ble Prime Minister's vision to propel India into a US$5 trillion economy by FY 25, the Government of India is undertaking numerous initiatives such as "Make In India," "Vocal to Local," rapid and widespread strides in digitisation, reforms in the labour market, improvements in logistics and ease of doing business initiatives. These initiatives position India as a viable alternative to move manufacturing from China.

India holds the distinction of being the third-largest power consumer globally, historically correlating power demand growth with GDP growth. Peak power demand in India reached a historic high of 240 GW on September 1 2023, with expectations of further growth in future.

In the face of limited expansion in thermal projects in the last eight years and the substantial challenges associated with expanding nuclear and renewable energy storage projects, the outlook for thermal power generation in India remains optimistic.

Outlook

The current decade (2020-2029) is set to witness a profound transformation in India's power sector, spanning demand growth, energy sources, market dynamics, innovation, and an expanded power supply network to reach all corners of the nation. Under the Indian government's "Power to All" initiative, the aim is to ensure reliable and continuous access to sufficient electricity while accelerating the transition to cleaner, renewable energy sources, and reducing reliance on fossil fuels. Future investments in the power sector will benefit from robust demand fundamentals, policy support, and increasing government emphasis on infrastructural development.

The government has ambitious plans to establish a renewable energy capacity of 500 GW by FY 30. The Central Electricity Authority (CEA) forecasts India's power requirement to reach 817 GW by FY 30. Additionally, by FY 30, CEA anticipates an increase in the share of renewable energy generation while the share of generation from thermal energy will decrease.

We anticipate substantial opportunities unfolding in the coming years. Our focus remains on profitable operations, value creation through growth projects, scaling innovation and digitalisation, and advancing towards ESG targets. We are committed to enhancing our financial profile and maintaining disciplined capital allocation. The Group's medium and long-term fundamentals remain steadfast, supported by robust cash flows that enable OPG to continue its journey of responsible growth and sustainable returns to shareholders.

On this positive note, we extend our gratitude to all our stakeholders for believing in our growth story. We seek your continued support as we strive to create value for all and contribute to India's remarkable economic rise.

N. Kumar

Non-Executive Chairman

3 November 2023

CEO's Operational Review

The Group's objective is to enhance shareholder value through profitable growth by becoming the preferred provider of reliable and uninterrupted power to fuel India's inclusive growth.

The challenging environment of FY23 demonstrated the adaptability of OPG's business model allowing us to benefit from a blend of profitable short term contracts and stable long term contracts. Our readiness for an ever-evolving and dynamic business environment is the result of the enterprising and bold decisions made by our team.

In the past year, we have reinforced our commitment to sustainable business stewardship and reaffirmed our determination to prove that our purpose-driven, impact-focused business can deliver sustainable performance today and well into the future. The Group continues to honour all its commitments to all stakeholders.

A review of the Group's operations is as follows:

Plant Availability and Generation

OPG's operational performance depends on its sales model, which includes a mix of power purchase agreements with various state utilities and captive power shareholders, plant availability, plant load factors, and auxiliary power consumption.

Integration into the global economy has brought challenges, such as the impact of the COVID lockdown and the Russia-Ukraine conflict, resulting in a sharp increase in coal prices. During FY 23, we strategically focused on short term contracts, bilateral contracts, and the Day Ahead Markets (DAM) on the Indian Energy Exchange Limited (IEX), where profit margins were substantially higher. These strategic measures and timely actions ensured profitability and cash flow.

OPG's plants are designed to use a wide range of fuels from various sources and are equipped with world-class air-cooled condenser technology to minimise water consumption. This flexibility, though initially capital-intensive, paid dividends during challenging times, allowing us to use cheaper coal from various sources, including Indian coal.

Total generation at our plant in FY 23, including 'deemed' offtake, was 1.53 billion units (FY 22: 1.87 billion units), with the reduction attributed to our focus on profitable short-term contracts and contractual obligations under the Long Term Supply Agreement.

The plant load factor ('PLF'), including 'deemed' offtake, in FY 23 was 42.1 percent (FY 22: 51.5 percent). Auxiliary consumption levels are a key measure of plant efficiency, typically ranging from 7.5 percent to 8.5 percent for our units. OPG has implemented several measures and technical improvements to enhance plant efficiency by optimising auxiliary power consumption.

CEO's Operational Review (Contd.)

The Group has made excellent progress with its safety program, recording zero fatalities and Total Recordable Incident Reports (TRIR) in FY 23.

Power Offtake

In FY 23, considering the steep increase in international coal prices, the Group focused on profitable operations, supplying power under short-term bilateral contracts and IEX. This strategic move accelerated cash collections and improved earnings, despite high coal prices. In FY 23, owing to various measures taken by OPG, the plant realised an average tariff of 8.6p (FY 22: 5.5p).

Additionally, the tariff under the LTSA was revised upward due to abnormal increases in coal prices following the directives of Government of India. This pass-through, which was initially valid until December 2022, is now extended till 30 June 2024, providing significant support and insulation from coal price volatility.

We continue to minimise water consumption using air-cooled condensers and the Groups' philosophy of continual improvement to remain 'zero discharge unit'

Coal and Freight

The Group has consistently imported low-sulphur coal from reputable coal producers and traders with established longstanding relationships. In FY 23, we purchased coal through short and medium-term contracts to mitigate the risk of coal price volatility in the market. We have entered into medium-term Fuel Supply Agreements (FSA) allowing us to procure up to 153,000 metric tons of Indian coal per annum. These contracts are signed with Mahanadi Coalfields Ltd (a subsidiary of Coal India Ltd.).

The average coal price was £76.6 per ton in FY 23, representing a 43 percent increase from FY 22's average of £53.7 per ton.

Current coal prices and sea freight rates are returning to normal levels and the Group continues to actively review its procurement policy to mitigate the impact of coal price volatility.

Safety and Environmental Compliance

The Group has made excellent progress with its safety programs, recording zero fatalities and Total Recordable Incident Rate (TRIR) in FY 23. We continue to minimise water consumption using air-cooled condensers and the Groups' philosophy of continual improvement to remain 'zero discharge unit'

Investment in Atsuya Technologies

OPG invested in Atsuya Technologies Private Limited (Atsuya) as part of its strategy to diversify into energy savings/ESG-compliant opportunities. Atsuya utilises artificial intelligence, deep tech, and the internet of things (IOT) to monitor energy consumption and provide solutions to save the same. Atsuya's clients include new-age Unicorns as well as a Fortune 500 Indian energy company.

Avantika Gupta
Chief Executive Officer
3 November 2023

CFO's Financial Review

The following is a commentary on the Group's financial performance for the year ending 31 March 2023.

Revenue

In the face of challenging circumstances, FY 23 proved to be a year where resilience and adaptability were key. The Group's revenues saw a decrease of £21.4 million, representing a decline of 26.7 percent in FY 23. This strategic shift was driven by the Group's sharp focus on profitable operations, especially in light of soaring coal prices. With a higher cost of production, OPG narrowed its focus only on profitable generation leading to lower generation volumes.

Adjusted EBITDA for FY 23 amounted to £16.1 million, equivalent to 27.5 percent of revenues, compared to the previous year's figure of £21.6 million, which constituted 27 percent of previous year's revenue.

Income statement

Year ended 31 March	FY 23 £m	Percent of revenue	FY 22 £m	Percent of revenue
Revenue	£58.7		£80.1	
Cost of Revenue (excluding Depreciation)	(£42.3)		(£56.5)	
Gross profit	**£16.4**	**28.0**	**£23.6**	**29.4**
Other Operating Income	£1.5		£0.0	
Other Income	£5.5		£8.1	
Distribution, General and Administrative Expenses, ECL (excluding Depreciation, Employee Stock Option Charge, Expenditure during the period on expansion projects (if any))	(£7.3)		(£10.0)	
Adjusted EBITDA	**£16.1**	**27.5**	**£21.6**	**27.0**
Share Based Compensation	£0.0		(£0.2)	
Depreciation	(£5.7)		(£5.3)	
Net Finance Costs	(£4.3)		(£3.1)	
Income from continuing operations (before Tax, Non-Operational and / or Exceptional Items)	**£6.1**	**10.4**	**£13.0**	**16.2**
Reversal of Impairment provision and Share of Profits from Associates.	£4.3		£0.0	

CFO's Financial Review (Contd.)

Year ended 31 March	FY 23 £m	Percent of revenue	FY 22 £m	Percent of revenue
Profit Before Tax	**£10.4**	**17.8**	**£13.0**	**16.2**
Taxes	(£3.2)		(£4.1)	
Profit After Tax	**£7.3**	**12.4**	**£8.9**	**11.1**
Profit/(Loss) from Discontinued Operations, including Non-Controlling Interest(s)	£0.0		(£2.9)	
Profit for the Year	**£7.3**	**12.4**	**£6.0**	**7.5**

Note: Please note that 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.

In FY 23, the average tariff realised was 8.6p/kWh, marking a substantial 50 percent increase compared to the previous year's 5.5p/kWh. However, the total generation (including deemed generation), amounted to 1,528 million units, which represented a decrease of 18.2 percent when compared to the previous year's 1,868 million units. This reduction can be primarily attributed to the elevated cost of coal and reduced generation during FY 23, with a focus on profitable operations.

The surge in coal prices was driven by heightened global demand for coal, with China, Europe, and the Ukraine-Russia conflict exacerbating the challenges.

Operational Overview	FY 23	FY 22
Total generation, incl. "deemed" generation (million units)	1,528	1,868
Plant Load Factor (PLF) (percent)	42.1	51.5
Average tariff (pence/unit)	8.6	5.5

Gross Profit

In the fiscal year, Gross Profit (GP) amounted to £16.4 million, equivalent to 28 percent of revenue. When compared to the previous year (FY 22 - £23.6 million, representing 29.4 percent of revenue), the GP declined by £7.1 Million representing a 30.3 percent fall. This decline can be attributed to the substantial impact of high international coal prices and reduced generation and supply.

The cost of revenue primarily comprises fuel costs. The table below provides insight into the average prices of coal consumed in FY 23 and FY 22.

Average price of coal consumed	FY 23	FY 22
Average price of coal consumed (per MT)	£76.6	£53.7
Average price of coal consumed (per mKCal)	£20.9	£13.1
Change in Average price of coal consumed (per MT) (percent)	42.6	25.9
Change in Average price of coal consumed (per mKCal) (percent)	60.1	27.6

Adjusted EBITDA

Adjusted Earnings before Interest, Depreciation, Taxes and Amortisation ('Adjusted EBITDA') serves as a measure of a business's cash generation from operations before accounting for depreciation, interests, exceptional charges, and non-standard or non-operational expenses, such as share-based compensation, amongst others. Adjusted EBITDA is a valuable tool for analysing and comparing profitability over different periods and amongst companies, as it removes the impact of financing and capital expenditure.

In FY 23, Adjusted EBITDA amounted to £16.1 million, in contrast to £21.6 million in FY 22, reflecting a decrease of £5.5 million or 25.3 percent. This decline can primarily be attributed to steep increase in international coal prices, reduction in other income and decrease in coal sales as well.

Profit from continuing operations before tax was £6.1 million , equivalent to 10.4 percent of revenue, as compared to £13 million, representing 16.2 percent of revenue, in FY 22.

Profit Before Tax (PBT) reconciliation for FY 23 (£m)

PBT (£m)	FY 23
PBT FY 23	£10.4
PBT FY 22	£13.0
Decrease in PBT	**(£2.6)**
Decrease in GP	(£7.1)
Increase in Other Operating Income	£1.5
Decrease in Other Income	(£2.5)
Decrease in Distribution, General & Administrative Expenses, Expected Credit Loss	£2.9
Increase in Net Finance Costs	(£1.3)
Increase in Depreciation and Amortisation	(£0.4)
Reversal of Impairment and 31 percent share of Net Profit from Associates	£4.3
Decrease in PBT	**(£2.6)**

Taxation

The Group's operating subsidiary continues to benefit from a tax holiday period. However, the subsidiary is subject to Minimum Alternate Tax (MAT) on its accounting profits. The taxes paid under MAT can be used to offset future tax liabilities that may arise after the conclusion of the tax holiday period.

Owing to the lower level of operations and the high cost of coal during the year, the tax expense for the year amounted to £3.2 million.

Profit After Tax from continuing operations

Profit After Tax from continuing operations decreased by £1.6 million (18.5 percent) from £8.9 million to £7.3 million in FY 23.

Assets - Karnataka Solar Projects as part of Associate Entities

In FY 18, four solar projects under different Special Purpose Vehicles (SPV's) totalling to 62 MW were commissioned in the state of Karnataka. OPG continues to hold a 31 percent equity interest in these projects, which it intends to divest. The management is yet to identify a suitable buyer who can provide the right valuation for the sale of these assets. However, in compliance with IFRS 5, the solar assets are being reclassified from "Assets Held for Sale" to being "Associate Entities" and for FY 23. Profits from these solar entities have been accounted to the extent of 31 percent of its shareholding in the financial statements. The Group continues to evaluate options to divest its 31 percent holding in these solar entities.

Earnings per Share (EPS)

The Group's total reported EPS increased from 1.5 Pence in FY 22 to 1.8 Pence in FY 23.

Dividend policy

One of the OPG's paramount objectives is to maximise stakeholders' long-term value. Keeping in mind, the disruptions and uncertainty caused by the extraordinary volatility in coal prices and related freight, the management, in consonance with 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 maintain a strong and resilient balance sheet to withstand turbulent times. Therefore, the Board decided not to declare a dividend for FY 23. The Board will revisit the Group's dividend policy in due course.

The Foreign Exchange Gain / Loss on Translation

The British Pound to Indian Rupee appreciated to a closing rate of £1= INR 101.44 as at 31 March 2023 from a rate of £1= INR 99.37 as at 31 March 2022 resulting in an exchange loss of £5.7 million. The same has been recognised under "Exchange differences on translating foreign operations".

Property, Plant and Equipment

The decrease in net book value of our Property, Plant and Equipment to £165.61 million principally relates to additions/deletions during the year offset by depreciation and foreign exchange impact as at the end of FY 23.

Other Non-Current Assets

Other Non-Current Assets (excluding Property, Plant and Equipment & Intangible Assets) have increased by £11.1 million. The major components of this increase was a £13.1 million increase in "Non Current Investments" comprising the transfer of "Assets Held for Sale" to "Associated Entities". Non-current restricted cash decreased by £2.0 million from £10.4 million in FY22 to £8.4 million in FY23.

CFO's Financial Review (Contd.)

Current Assets

Current Assets in total decreased by £5.6 million from £70.1 million to £64.5 million. However for a like for like comparison, 'Assets Held for Sale' are excluded. Current Assets (excl. Assets held for Sale) increased by 14 per cent or £7.9 million from £56. 6 million to £64.5 million year on year. Some of the components of the change are as follows:

- increase in trade receivables by £23.3 million,
- decrease in inventories by £2.7 million,
- decrease in other short-term assets by £12.54 million from £26.18 million in FY22 to £13.64 million in FY23,
- decrease in Current Tax Assets (Net) by £0.1 million from £1.25 million in FY22 to £1.15 million in FY23,
- increase in current restricted cash by £4.4 million and
- decrease in cash and cash equivalents by £4.4 million.

Liabilities

Current liabilities have increased by £17.1 million from £38.4 million to £55.5 million year on year.

- Borrowings which includes current maturities of long term debt increased by £12.1 million from £13.4 million to £25.5 million. This includes the repayment of £22.18 million Non-Convertible Debentures (NCDs).
- Trade and other payables increased by £5.1 million from £24.4 million to £29.5 million.
- Other current liabilities decreased by 12 percent from £0.57 million to £0.50 million.

Non-current liabilities have decreased by £21 million (44 percent) from £47.6 million last year to £26.6 million this year.

- Non Current portion of Long term debt decreased by 76 percent or £22.8 million from £29.9 million to £7.1 million on account of the net effect of repayments, new debt as well as movements to current liabilities.
- Trade and other payables decreased by £0.32 million from £0.63 million to £0.31 million.
- Net Deferred Tax Liabilities increased by £2.2 million from £17.0 million to £19.2 million.

Financial position, debt, gearing and finance costs

As at 31st March 2023, total borrowings were £32.6 million (31 March 2022: £43.3 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 8.6 percent (31 March 2022: 3.9 percent). The gearing ratio is a useful measure to identify the financial risk of a company.

OPG's NCDs which were repayable in June 2023 were repaid on time. During FY 23, the Group has raised additional debt of £6.9 million for repayment of old NCDs.

During FY 23 net debt (total borrowings minus cash and current and non-current investments in mutual funds) increased from £6.9 million in FY 22 to £16.1 million in FY 23 and net debt to Adjusted EBITDA ratio increased from 0.32x to 1.00x as a result of the repayment of term loans, fresh borrowings for repayment of old NCDs and working capital loans as well as cash collections achieved during the year. The net debt position demonstrates the robustness of OPG's financial position. The Group remains amongst the least leveraged power companies in India.

Finance costs have increased by 11 percent or £0.57 million to £5.9 million in FY23 from £5.4 million in FY 22. This was primarily due to the impact of increase in foreign exchange losses. Finance income decreased by 30 percent or £0.7 million from £2.3 million in FY 22 to £1.6 million in FY 23.

Overall, this resulted in an increase of £1.26 million (40 percent increase) in Net Finance Costs from £3.1 million in FY 22 to £4.3 million in FY 23.

Current restricted cash representing deposits maturing up to twelve months amounted to £6.8 million (FY 22: £2.4 million) an increase of 183.7 percent which have been pledged as security for Letters of Credit and Bank Guarantees.

Non-current restricted cash represents investments in mutual funds of £8.4 million (FY 22: £10.4 million). Non-current restricted cash decreased by 20 percent.

Cash flow

Cash flow from continuing operations; before, and after, the changes in working capital was £16.0 million (FY 22: £21.6 million) and negative £1.2 million (FY 22: £16.3 million) respectively.

Movements (£m)	FY 23	FY 22
Operating cash flows from continuing operations before changes in working capital	**£16.0**	**£21.6**
Tax paid	£0.4	(£0.0)
Change in working capital assets and liabilities	(£16.8)	(£5.2)
Net cash generated by (used in) operating activities from continuing operations	**(£1.2)**	**£16.3**
Purchase of property, plant and equipment (net of disposals)	(£1.1)	(£3.5)
Investments (purchased)/ sold, incl. in solar projects, shipping JV, market securities, movement in restricted cash and interest received	(£14.5)	(£5.7)

Movements (£m)	FY 23	FY 22
Net cash (used in)/from continuing investing activities	**£13.4**	**(£9.2)**
Finance costs paid, incl. foreign exchange losses	(£5.9)	(£4.5)
Dividend paid		
Total cash change from continuing operations before net borrowings	**£6.2**	**£2.6**

The Company is required under AIM Rule 19 to publish its FY 23 Accounts by 30 September 2023. There has been a delay in the financial reporting close process resulting in suspension of the Company's ordinary shares from trading on AIM and trading will be reinstated upon the publication of these FY 23 audited accounts.

Ajit Pratap Singh

Chief Financial Officer

3 November 2023

Group's objectives and strategies

The Group's aim is to be a sector leader based on the quality of its earnings, the profitable growth it achieves, and its performance against its stringent safety and environmental management standards.

▲ Air Cooled Condenser reduces water consumption.

The Group's objective is to enhance shareholder value through profitable growth by becoming the preferred provider of reliable and uninterrupted power to fuel India's inclusive growth.

To meet these objectives, the Group's strategy includes maximising the performance of its existing power generation assets, deleveraging the balance sheet, reducing its cost of capital, delivering returns through responsible growth, and executing accretive growth projects within its areas of expertise.

Maximising performance of the power plant

The Group is committed to maximising the performance of its existing power generation assets by ensuring plant availability and providing a reliable and uninterrupted supply of electricity to its customers.

The flexible design of our plants enables us to procure and consume various types of coal from different sources while maintaining an uninterrupted coal supply. Furthermore, the Group aims to secure competitive prices through direct negotiations with customers. The Group's strategic approach includes a mix of long-term supplies, short-term supplies, and the Group captive model, positioning it effectively to respond to fuel cost fluctuations through short- and medium-term sales contracts.

Reducing cost of capital and delivering returns

The Group's aim is to maximise cash generation at its existing power plants. This approach serves multiple purposes, including providing liquidity support for its operations, facilitating debt repayment, delivering returns, and generating equity for potential new projects.

The Group maintains a focus on prioritising projects that can be financed through a combination of debt and internal accruals. These projects are expected to generate revenues meeting the target return levels without the need for direct subsidies. Additionally, the Group strives to maintain manageable gearing levels and maintains open and regular communication with its shareholders and financing partners.

Leverage

As of 31 March 2023, the total borrowings amounted to £32.6 million. The gearing ratio, calculated as net borrowings divided by equity plus net borrowings, stood at 8.6 percent (compared to 3.9 percent as at 31 March 2022).

During FY 23, net debt (total borrowings minus cash and current and non-current investments in mutual funds) increased to £16.1 million from £6.9 million. The Net Debt to Adjusted EBITDA ratio also increased to 1.00x from 0.32x. This increase was a result of utilising cash and investments net of refinancing the repayment of Non-Convertible Debentures (NCDs). These NCDs, amounting to £22.18 million were repaid in May 2023.

Profitability

The Group's strategy involves operating its power plants under a mix of long-term, short-term, and captive models, providing the flexibility to optimise tariffs and profitability.

The Group consistently seeks to enhance its operational performance, with a strong focus on profitability. It implements strategies aimed at optimising its power generation assets to achieve this goal.

Dividends

Due to the disruptions caused by the extraordinary volatility in coal prices and freight, the Board has made the decision in the best interests of the Group and its stakeholders to conserve cash. This cash conservation will be allocated for debt repayment, funding growth in ESG-focused projects, and ensuring a strong and resilient balance sheet capable of withstanding turbulent times. Consequently, the Board has chosen not to declare a dividend for FY 23.

The Board plans to review the Company's dividend policy at a later date, once coal prices and electricity tariffs stabilise.

Market Review

India is poised to remain a bright spot in CY 2023, potentially contributing 15% to global GDP growth, according to the IMF. This growth was driven by robust domestic demand, with strong investment activity supported by government capital expenditures and buoyant private consumption, particularly among higher-income groups.

Overview of power sector

Global Power Sector

The past year witnessed a global energy crisis, largely triggered by the Russia-Ukraine conflict. This crisis has sparked a remarkable surge in renewable energy worldwide, with a strong emphasis on energy security. Disruptions in natural gas supplies underscored the importance of domestically generated electricity. Many countries refired their coal power plants to safeguard their energy security. For the long term, many countries have reinforced their policies to support generation from renewable energy sources. Higher fossil fuel prices on a global scale have also improved the competitiveness of solar photovoltaic (PV) and wind generation in comparison to other conventional fuels.

Indian Power Sector

India stands out as one of the largest producers and consumers of electricity globally, boasting a total installed electricity capacity exceeding 416 GW as of the end of FY 23. The growth in electricity demand is driven by factors such as population growth, urbanisation, industrialisation, and an improved standard of living with increased access to electricity. The rising energy demand in India is fuelled by ongoing urbanisation and rapid growth in the manufacturing sector. A diverse array of energy sources is tapped to meet this growing demand, with coal being the primary supply source.

In FY 23, the total power demand in India surged by 9.6 percent to reach 1,512 billion units (BUs), significantly exceeding the average annual growth rate of 5.3

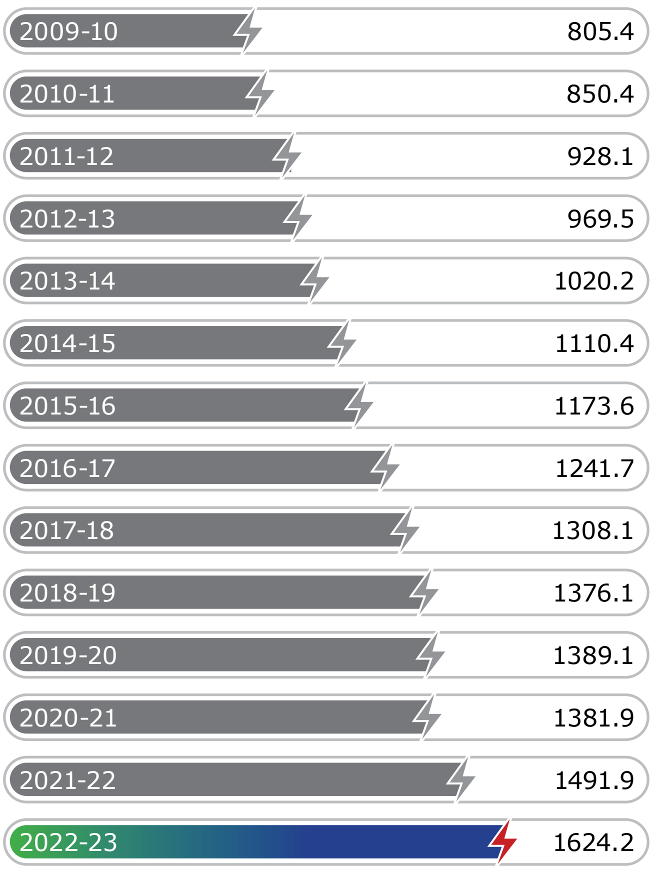
percent observed during the period of 2015-2019. This robust growth can be attributed to a combination of a vigorous post-pandemic economic recovery and exceptionally high summer temperatures. The Central Electricity Authority (CEA) has projected a peak power demand of 256 GW in FY24 and up to 335 GW by FY30. As of the end of FY 2023, India's installed capacity stood at 416 GW, comprising 237 GW from fossil-fired power plants (coal, gas, and oil), 47 GW from hydroelectric plants, 125 GW from renewable energy sources like solar and wind, and the remainder from nuclear power plants. The share of coal-based capacity in the total capacity mix in India stands at 51 percent. Interestingly, despite the lower percentage, coal-based power plants contributed to approximately 73 percent of the country's total electricity generation during FY 23.

The CEA has envisaged an installed capacity of 817 GW by FY30 of which fossil fuels will contribute 292 GW (36 percent) and the balance from Renewables, Nuclear, Hydro and other sources. With increasing natural gas prices, coal will continue to remain the bulk of the fossil fuel capacities with 267 GW (33 percent) of the capacity. The share of coal in the installed capacity mix is low. However, the same is high in the generation mix as renewable energy sources are exposed to the vagaries of nature. Even in FY30, the coal is expected to contribute nearly 58 percent of the total generation mix.

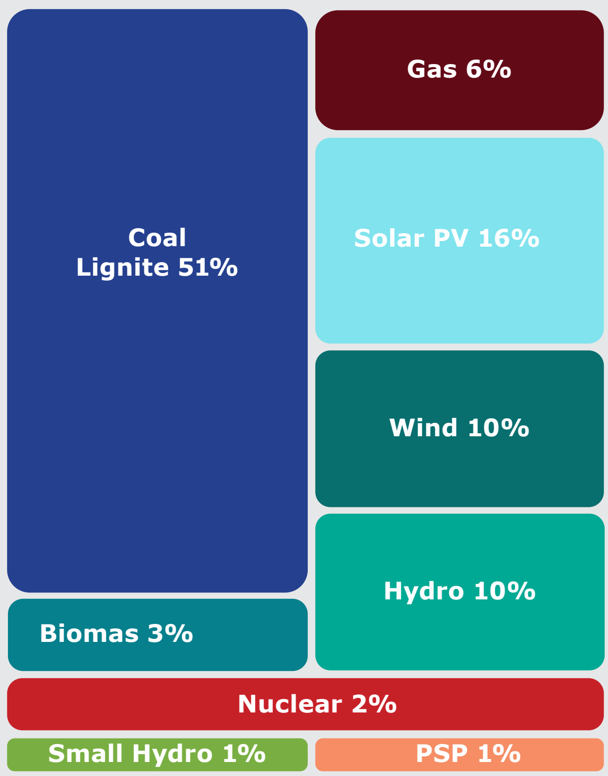
With modest growth of only 1.2 GW during FY 23 and the continual retirement of old power plants, the outlook for thermal power continues to remain optimistic.

Total Generation (Including Renewable Sources)

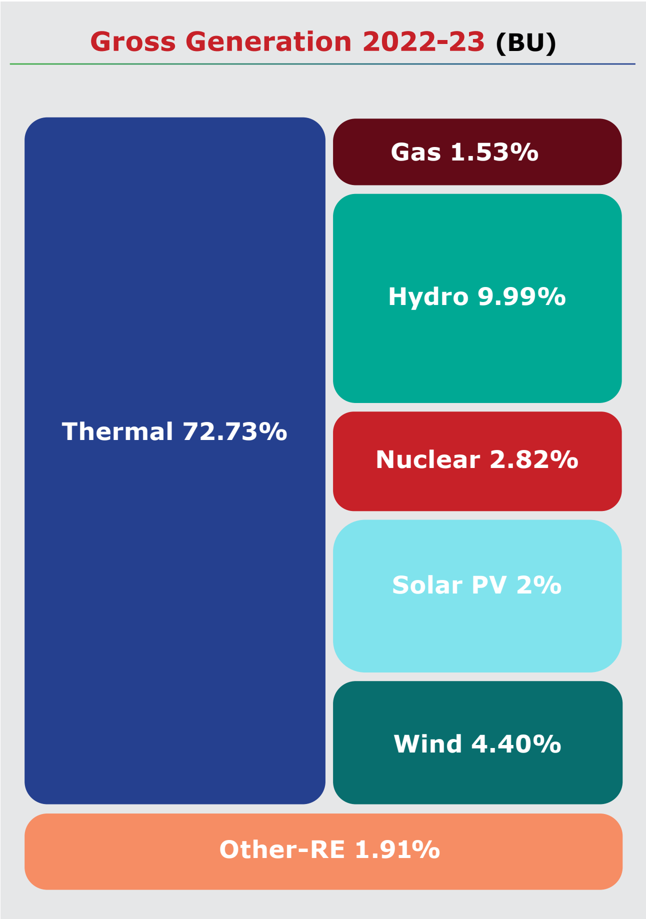
(In Billion Units)



Installed Capacity - March 2023 (%)



Market Review (Contd.)



Government Initiatives

During the year, the Indian government has taken several noteworthy initiatives to address issues in the power sector and foster its growth. Here are some key actions taken:

1. **Emergency Coal-Based Power Generation:** In response to a critical power crisis where energy demand surged by almost 20 percent, the Ministry of Power invoked Section 11 of the Electricity Act 2003 twice in the year (May 2022 and February 2023). This directive mandated all imported coal-based power plants to operate at their full capacity to generate power.

2. **Price Caps on Power Exchanges:** The Central Electricity Regulatory Commission took significant steps by capping power prices on exchanges across all market segments, including DAM, RTM, Intra-day, Day Ahead Contingency, and Term-Ahead contracts. These caps initially set the price at ₹12 per unit, which was further reduced to ₹10 per unit in April 2023.

3. **Late Payment Surcharge Rules:** The Ministry of Power (MoP) introduced the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022. These rules allow state utilities to pay their total dues to generation and transmission companies in equated monthly instalments (EMIs). Additionally, total dues, including late payment

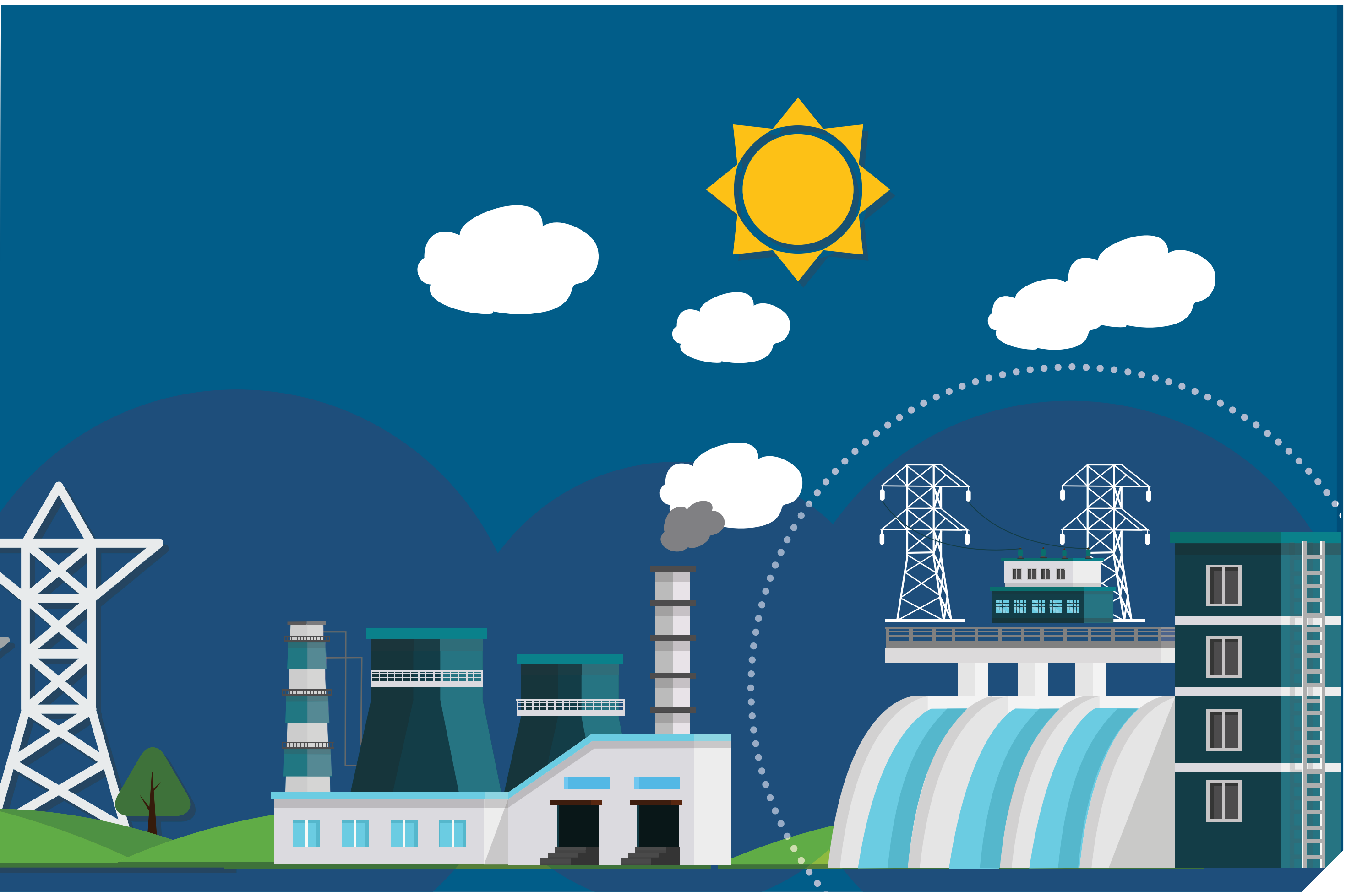
surcharges, up to the date of rule notification, were rescheduled with revised due dates for payment by state utilities in EMIs.

4. **Pass-Through of Coal Prices:** In response to soaring coal prices, the Ministry of Power authorised the pass-through of coal price increases to imported coal-based power plants with long-term power purchase agreements (PPAs) with State Utilities.

5. **24x7 Power Supply Commitments:** All States and Union Territories (UTs) signed Memorandums of Understanding (MoUs) with the Central Government to ensure round-the-clock power supply to all households, industrial and commercial consumers, and sufficient power for agricultural consumers. This commitment aims to boost power offtake by state utilities, such as TANGEDCO.

6. **Commercial Coal Mining for Private Sector:** The Government of India approved commercial coal mining for the private sector and introduced transparent methods for allocating coalmines through auctions and allotments. OPG is actively participating in these auctions and allotments.

7. **Bidding Guidelines for RE Procurement:** The Ministry of Power issued bidding guidelines for thermal/hydro generators to procure renewable energy (RE) and supply bundled power to state utilities under existing power purchase agreements (PPAs). The scheme creates new business opportunities for power sector and may reduce overall costs for end consumers.



ESG report

Sustainability highlights

Operations
- 414 MW Thermal Plant
- 62 MW Solar power plant
- Best in class – NOx emission control
- Improving Heat rate
- Advanced air cooled technology for lowest water consumption
- Awarded CEE National Environment Excellence Award for better fly ash utilization and management.

Natural
- 0.472 MT/MWh specific coal consumption (Normalised for 6000 NAR)
- 0.20 m^3/MWh Specific Water consumption
- 1.09 kg CO_2/kWh, GHG emissions intensity

Human
- 363 Company employees
- 255 Contractual workforce
- Total 1.43 man days of training per manpower.
- Zero TRIR (Total Recordable Incident Rate)

Financial
- Revenue: £ 58.68 million
- Operating Cost: £42.26 million
- Taxes: £3.16 million
- Employee Wages & Benefits: £2.84 million

Intellectual
- ISO 14001:2015
- ISO 45001:2018
- NABL accredited in accordance with ISO/IEC 17025:2005 Standard

Social
- CSR Spending: £103,054*

*Average Conversion rate of GBP for the year is £1 = ₹96.79

Sustainability Pillars

Bird's eye view of the rainwater storage pond

Efficient growth

Production efficiency directly translates into optimisation of resources and maximising financial capital value.

- Maintaining technological leadership
- Continuous optimization of Heat Rate
- Sustainable automation for operational efficiencies.

Sustainable growth

Sustainable Power Generation through a mix of thermal and renewable generation.

- Power generation with a mix of thermal and renewable generation capacity
- Providing reliable power to captive users and state utilities.
- Compliance with emission standards
- Optimal auxiliary power consumption
- Zero Liquid Discharge
- Lowest water consumption per unit of electricity generation

Responsible growth

Responsibility towards all stakeholders

- Consultations and collaborations with stakeholders
- Developing human resource through training and skill development
- Inclusive work environment
- Commitment to Zero Harm-maintaining health and safety within and around our power units.
- Community service
- Inculcating values of Sustainability in staff and workers

ESG report (Contd.)

Disclosures on management approach

Business strategy

We are focused on creating positive impacts on society, environment, and human rights through our operations. We prioritise employee welfare, local job creation, and overall development opportunities for our employees and the community. We diligently measure and monitor the emissions and endeavour to bring them down continuously.

We aim to improve returns for shareholders through efficient capital management, technology, and operational management while committing to sustainability practices for long-term success.

Occupational health & safety

Our activities have a positive impact as they foster a safety-conscious culture and prioritise the well-being of everyone involved. We are fully committed to ensuring utmost safety and have well-established protocols in place to address these concerns.

Our core principle is 'Zero Harm', supported by ISO 45001:2018 and a proactive mind-set. We are committed to creating a culture with no incidents through a comprehensive strategy and continuous improvement. Involving staff in setting EHS goals and their active participation is vital for the successful implementation of our Health & Safety framework.

Energy & emissions

Our approach to energy and emissions centres on optimising energy use and minimising wastage. Through the adoption of efficient and eco-friendly technologies, our aim is to minimise the environmental impact of our operations. By focusing on emission reduction, we actively contribute to climate change mitigation and improved air quality, fostering public health, community engagement, and job creation. Furthermore, we are dedicated to upholding the right to a clean environment and better health.

Water

We adopt air cooled condenser technology for minimal water consumption, specifically chosen and implemented to reduce the water consumption up to 1/10th of the water consumption of conventional power plants. In addition we have implemented rain water harvesting, recharge initiatives and green belt development.

Our main goal is to minimise freshwater usage and maintain a Zero Liquid Discharge Unit, ensuring sustainability and responsible water practices. Through regular monitoring, we contribute to sustainable water use, protect water resources, and support nearby communities' access to clean water. Our approach reduces water-related risks and promotes community well-being.

14 LIFE BELOW WATER

Waste

Our waste management approach involves adhering to statutory requirements for waste handling, collection, and disposal. We prioritise recycling to reduce waste and use energy resources responsibly. Efficient and clean technologies are deployed to minimise environmental impact. The company aims to minimise pollution, conserve natural resources, and protect nearby communities and ecosystems. We promote public health, uphold the right to a clean environment, and educate employees on waste management. The approach leads to positive impacts such as zero waste goals, regulatory compliance, increased recycling, responsible energy use, eco-friendly technologies, and environmental awareness.

6 CLEAN WATER AND SANITATION

15 LIFE ON LAND

Environmental compliance

We ensure responsible environmental compliance in the power sector has both positive and negative implications. On the positive side, it ensures responsible and sustainable energy generation, reduces air and water pollution, and promotes the integration of renewable energy sources. Compliance also protects biodiversity, conserves water resources, and contributes to global climate change mitigation efforts. This is achieved by substantial investments in pollution control technologies, waste management, and transitioning to cleaner energy sources.

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

Community development (CSR)

OPG is determined to positively impact neighbouring communities. In the first year of operations, the need analysis was carried out that helped us with devising interventions; all CSR programmes were implemented in consultation or direction of the District Collectorate or Panchayat Presidents. A detailed proposal is sent by the team which sets out the responsibilities, execution, timelines and liabilities of the parties involved. The Management screens the project executors based on internal screening criteria, credibility and ability to execute the project. The projects that OPG funds are for community development, education, healthcare and reducing inequalities.

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

ESG report (Contd.)

Environmental stewardship

OPG Power Ventures understands the vital role of environmental responsibility in ensuring the sustainability of our operations and the well-being of surrounding communities. We are wholeheartedly dedicated to reducing our environmental impact, championing the preservation of biodiversity and supporting our stakeholders. By continually taking proactive steps, we aim to improve our environmental track record.

In FY23, we spent £345,461 towards environmental conservation measures. These expenditures covered projects such as the emission control ESP system filter, silo bag filters, initiatives for rainwater harvesting, wind shields for dust management, as well as specialists engagements and certifications.

Environmental highlights

REDUCED

Water consumption through Air Cooling

36.9%

Green belt

100%

Compliance on SOx, NOx and PM Emissions

CLOSED

Loop Water System

INCREASED BIODIVERSITY

64 floral and 102 faunal species at the plant

112.95 MU

Solar power generated and exported

LOW AUXILIARY CONSUMPTION

Despite Low PLF

BAMBOO PLANTATION

in 18 acres and 15,000 saplings planted

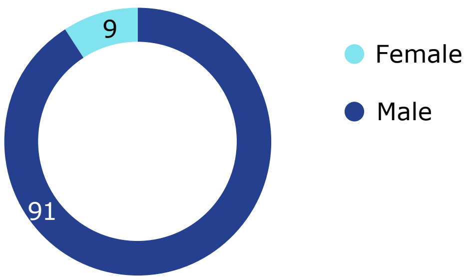
Social: Employees

Thermal power plant relies heavily on its employees. At present, we employ a total of 363 full-time personnel, comprising 331 males and 32 females, who are distributed between our headquarters and plant locations in Tamil Nadu and Karnataka. We also employ contractual workforce of 255 individuals.

OPG is committed to fostering an inclusive and fair approach to growth, emphasising pay equity, non-discriminatory recruitment policies, and the absence of bias based on gender, caste, age, or religion. We actively promote opportunities for disabled individuals to apply for suitable positions, aiming to cultivate an inclusive and diverse workplace environment.

Total employees by gender (All locations)

Percentage gender distribution (%)



Training

Training plays a crucial role in any organisation as it enhances employees' skills, fosters consistent standards, and promotes employee satisfaction and growth. **In FY 23, a total of 1,139 hours of training exclusive of 5,929 hours of OHS related trainings were conducted.**

Occupational Health & Safety

Health and safety are of utmost importance at OPG, where our goal is to achieve 'Zero Harm' by continually reducing incidents and preventing recurring incidents through our safety program. Our comprehensive health and safety policy applies to all permanent and contractual employees, ensuring their well-being. **For the past seven years, we have successfully maintained a record of zero a record of zero Total Recordable Incident Rate (TRIR).**

▲ Inspection work on relay panel

ESG report (Contd.)

Occupational Safety Report - TN Plant (2022-23)

Safety Parameters	Permanent Workforce	Contractual Workforce
Number of Fatalities	0	0
Fatality Rate	0	0
Number of high consequence injury	0	0
Rate of high consequence injury	0	0
Number of work related First aid Injuries	3	13
TRIR	0	
Number of hours worked	816823	

Health & Safety Process

The Board has appointed a Health, Safety and Environmental Committee, chaired by a Non-Executive director, to oversee all Health, Safety and Environmental activities

▲Real time communication for effective execution

Assisting staff in reporting job-related hazards

- Encourage staff to participate in the program.
- Encourage staff to report safety and health concerns.
- Give staff access to safety and health information.
- Involve staff in all aspects of the program.
- Remove barriers to participation.

The process of identifying hazards and risks related to incidents

- Collect existing information about workplace hazards.
- Inspect the workplace for safety hazards.
- Identify health hazards.
- Conduct incident investigations.
- Identify hazards associated with emergency and non-routine situations.

Strong emphasis on training and reskilling

Corrective actions are taken using a hierarchy of control to improve the OHS system

- List the hazards needing control in order of priority.
- Assign responsibility for installing or implementing the controls to a specific department or safety department with the power or ability to implement the controls.
- Establish a target completion date, plan how to track progress towards completion.
- Plan how to verify the effectiveness of controls after they are installed or implemented.

Staff participation, consultation, and communication on occupational health and safety

- Monthly safety training calendar is circulated to all departments.
- As per the schedule, appropriate safety training is conducted for all staff.
- Staff communicate through walky-talkies or Mobile.
- OPG has a safety committee in place, conducting quarterly meetings.

Responsibilities of the Health and Safety Committee

- The main objective of this committee is to resolve EHS issues.
- To help OPG meet its strategic objectives by contributing experience and perspective to a plant.
- Review of the various measures and initiatives taken.
- The decision-making authority is governed by the Board through Plant Head.

ESG report (Contd.)

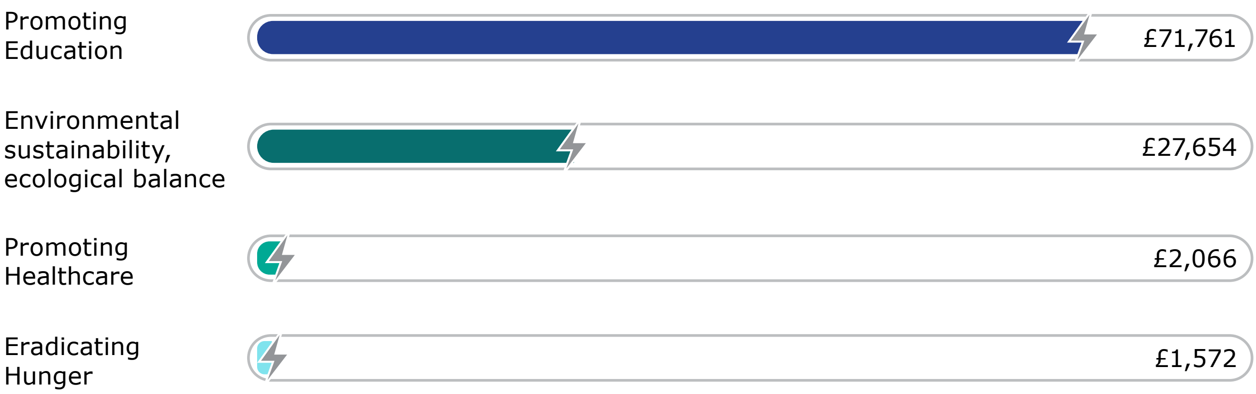
Social: Community engagements

Throughout our journey, we have strived to make a meaningful and lasting impact on the communities we serve. Guided by our corporate social responsibility (CSR) commitment, we have undertaken numerous initiatives to address pressing social needs. Our dedicated efforts have focused on improving education, improving ecological balance, enhancing healthcare access, and eradicating hunger. Additionally, we provided critical relief during times of disaster.

This year recognising the importance of vaccinations in safeguarding public health, we organised a comprehensive medical camp in our plant, distributed food supplies to nearby flood-struck villages, organised social service events for women and organised engaging learning activities for children at local schools.

During FY23 we have also completed the infrastructural facilities required for commencing free food distribution to local people towards eradication of hunger in nearby villages.

The total CSR expenditure for FY 2022-23 is £103,054.



CSR Activities

Project details	Beneficiaries
Environment projects	
Desilting of pond - S R Kandigai	1000 to 1200 persons
Deepening of Lake - Periya Obulapuram	800 to 1000 persons
Social projects	
PTA Teachers Salary	7 Teachers
College Scholarship	1 Beneficiary
TV for Anganwadi (Periya Obulapuram)	100 to 200 persons
Food for Cyclone affected area	500 to 700 persons

Corporate Governance

Standards of Conduct

Environmentally responsible behaviours | **Ethical conduct** | **Honesty** | **Respect** | **Legal compliance** | **Honesty**

We hold the view that transparency, accountability, and compliance form the bedrock of sound governance. In alignment with the AIM rules for companies, our organisation has adopted the Quoted Companies Alliance (QCA) Corporate Governance Code. This code lays out a framework of ten corporate governance principles, all of which are geared towards ensuring long-term business success. A tri-level governance structure facilitates accurate and timely oversight of crucial affairs. In accordance with AIM Rule 26, the Directors review compliance with the Code on an annual basis. The Board believes that the QCA Code provides the Company with a rigorous corporate governance framework to support the business and its success in the long-term.

Understanding and addressing the needs and expectations of our shareholders is crucial to us. The AGM notices are dispatched a minimum of 21 clear days prior to the meeting, with voting results subsequently published on our website. Both annual and half-yearly financial reports can be accessed on our website. All concerns brought up by stakeholders are integrated into our overarching strategy.

Principles of Good Corporate Governance

Establish a strategy and business model which promotes long-term value for shareholders

Seek to understand and meet shareholder needs and expectations

Consider wider stakeholder and social responsibilities and other implications for long-term success

Embed effective risk management, considering both opportunities and threats, throughout the organisation

Maintain the Board as a well-functioning, balanced team led by the Non-Executive Chairman

Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

Evaluate Board performance based on clear relevant objectives, seeking continuous improvement

Promote a corporate culture that is based on ethical values and behaviour

Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

Communicate how the Group is governed to all stakeholders

ESG report (Contd.)

At the forefront of the operational team is the Chief Executive Officer, overseeing all operational facets. OPG's Board of Directors shoulders the responsibility of exemplifying best practices in Corporate Governance and establishing elevated standards, primarily for the shareholders and all other stakeholders. The OPG Board convenes a minimum of four times annually. Both Executive and Non-Executive Directors are privy to identical information. If needed, Non-Executive Directors can seek external advice, with costs borne by the Group. Strategic matters, encompassing new and expanding capital items, operational budgets, committee management, and the proceedings of all other committees, fall under the Board's purview during these sessions.

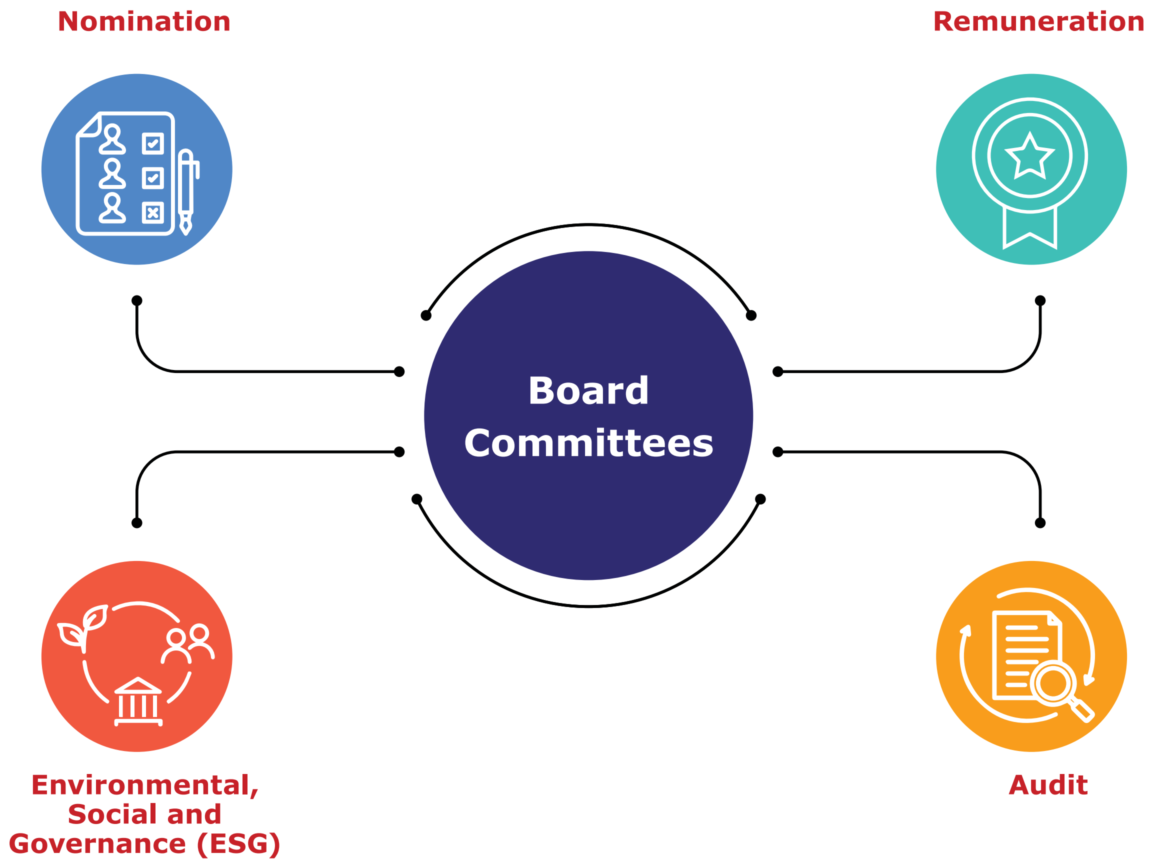
Designation	Name
Non-Executive Chairman	Mr. N Kumar+
Non-Executive Deputy Chairman	Mr. Jeremy Warner Allen
Chief Executive Officer (Executive Director)	Ms. Avantika Gupta
Chief Financial Officer (Executive Director)	Mr. Dmitri Tsvetkov* Mr Ajit Pratap Singh**
Non-Executive Director	Mr. P Michael Grasby

+ with effect from 4 April 2022 | *upto 31 May 2022 |**with effect from 31 May 2022

Board Members	Number
Indian	3
British	2
Male	4
Female	1

Health, Safety and Environment review meeting

Corporate Governance Structure: ESG



OPG Board

Overall responsibility for adopting and implementing sustainability measures encompassing the entire company

ESG Committee

Develops, implements and oversees the ESG performance in the company and assists the management in driving industry, leading practices. Sets wide targets and KPIs and identifies the sustainability related risks and emerging issues that could affect the company

Risk Management

The Group faces a number of risks to its business and strategy. The management of these risks is key to successful growth and is an integral part of the management of the Group. The list of principal risks and uncertainties associated with the Group's business as set out below cannot be exhaustive because of the very nature of risk. New risks emerge and the severity and probability associated with these will change over time.

Power Sale Risk

Description

The Company's power plants derive their revenue from the group captive model and supply power on a short-term, medium-term, or long-term sale basis and would, for this purpose, enter into power purchase agreements with counterparties such as industrial captive power users, power trading companies and state utilities. Contracts with captive power users and other customers may have fixed tariffs for a period which might lead to shrinkage of margin due to fluctuations in coal price and other open access charges.

Any adverse change in the Government Policy for supplying power to captive power consumers (by the power generation companies like OPG) may negatively impact the revenue and profitability.

Monitoring & Mitigation

Incorporating a contractual provision to revisit the tariff in case of a significant increase in coal price in the market.

Having a clause to completely offset or pass on any increase in open access charges to the customers to protect our margin under the contracts.

Flexibility to supply to captive consumers or in the open market.

Benchmarking the tariff of captive consumer with state utility prices in such a way that the tariff with the consumers is subjected to increase in line with any price revision by the state utility.

Company is regularly and actively monitoring the captive rules and ensuring the compliances.

Reliable transmission infrastructure

Description

The Group is dependent upon a reliable transmission and distribution infrastructure so that the power generated at the Group's power plants can be evacuated and transmitted to consumers. The Group pays an open access fee to access the transmission and distribution structure. If the transmission infrastructure is inadequate or subject to approvals and unexpected fees then this will adversely affect the Group's ability to deliver electricity to its customers and impact revenues and profitability.

Monitoring & Mitigation

Assessment done for adequate availability of transmission capacity and related fees during the project evaluation stage.

Construction and/or upgrade of transmission facilities near the Group's existing or future power plants.

Maintaining a proactive relationship with local state utilities and monitoring any changes and acting upon them immediately in case any need arises.

Ability of fuel supply and costs

Description

The Group has coal linkages with domestic coal-producing companies and agreements for imported coal. The dependence on third parties for coal exposes the Group's power plants to vulnerabilities such as non-supply, price increases in the international market, foreign exchange fluctuations, increases in shipping costs and any changes in applicable taxes and duties. This could impact the operations and profitability of the Group.

Monitoring & Mitigation

Maintaining adequate storage facilities to throttle inventory levels in line with market price fluctuation strategically.

Timely fixation of price under the coal purchase contracts by enhancing market intelligence by constant touch with the various market developments, enrolling & participating in coal-related international conferences and subscribing to various market intelligence reports/magazines.

Maintaining relationships with suppliers and mitigating any potential disruption.

Enhancing the flexibility of the plants to consume various qualities of coal to optimise the coal cost.

To revise the tariff to captive consumers in case of steep increase in coal prices.

Government policy and regulations

Description

The Group's operations are subject to complex national and state laws and regulations with respect to numerous matters, including the following:

- environmental factors (emissions, waste disposal, storage and handling);
- health and safety; and planning and;
- development.

The Group is required to obtain approvals, licenses and permits issued by the Indian government and other regulators and failure to obtain, comply with the terms of or renew such approvals, licenses and permits may restrict the Group's operations or development plans, or require their amendment, and may adversely affect the Group's profitability, or result in it being subject to fines, sanctions, revocation of licenses or other limitations.

The Group's business model of GCPPs is subject to rules and regulations, which can potentially be interpreted by the authorities in a way different from the Group's interpretations. The profitability of the Group will be in part dependent upon the continuation of a favourable regulatory regime with respect to its projects.

Monitoring & Mitigation

The group monitors and reviews changes in the regulatory environment and its commitments under licenses previously granted.

It continually ensures compliance with the conditions contained within individual licenses and is mindful of the importance of complying with national and local legislation and standards.

The Group reviews all the compliance mechanisms regularly and takes immediate steps to maintain compliances without any violations.

Ability to retain fiscal and tax incentives

Description

The Group's existing and planned power plants benefit from various fiscal and tax incentives to the Company from the Indian government continues to be available till FY26.

A change in policy or the adoption of tax policies and incentives can have an adverse impact on the profitability of the Group.

Monitoring & Mitigation

The Group continues to monitor changes and developments in respect of incentives provided by the Indian federal and state authorities

Project investment returns are evaluated based on the expected incentives available to the Company and are revised based on the most up-to-date guidance available. The tariff is also determined and adjusted accordingly considering the tax incentives.

Exchange Risks

Description

As a consequence of the international nature of its business, the Company is exposed to risks associated with changes in foreign currency exchange rates. The Group's operations are based in India and its functional currency is the Indian Rupee although the presentation currency is Great Britain Pound.

Imported coal is purchased in US Dollars and the company has replaced rupee-denominated term loans with dollar-denominated term loans.

The Group's financial results may be affected by the appreciation or depreciation of the value of the foreign exchange rates relative to the Indian Rupee.

Monitoring & Mitigation

Putting in place, wherever feasible, forward contracts or hedging mechanisms.

Monitoring our risk on a regular basis where no hedging mechanism is in place and taking steps to minimise potential losses.

The Company has prepaid the entire foreign currency term loan during the year.

Geopolitical Risks

Description

Russia's invasion of Ukraine has led to increased demand for coal from Europe.

The Group is dependent upon imported coal which is mostly procured from Indonesia. Global disruptions caused by unforeseen events such as Russia's invasion of Ukraine can adversely impact the demand for coal.

Monitoring & Mitigation

The Group continues to monitor changes and developments in the global markets to assess the impact on its procurement plans and accordingly and proactively adjust sourcing of coal from various geographies. Based on the coal prices, the Group determines the sales volume and the tariff.

The Group also participates in local coal auctions and secured partial requirements for long-term from domestic Government-owned public sector undertaking.

Global financial instability and the possibility of a recession

Description

The Indian market and Indian economy are influenced by global economic and market conditions, particularly emerging market countries in Asia.

Financial instability in recent years has inevitably affected the Indian economy.

Continuing uncertainty and concerns about contagion in the wake of the financial crises could have a negative impact on the availability of funding.

Monitoring & Mitigation

The Group continues to monitor changes and developments in the global markets to assess the impact on its financing plans. Additionally, the Group is optimistic that India, driven by domestic consumption, to a certain extent may be insulated from the recession.

Further, the Group has reduced its debt to a significantly low level and is one of the lowest-geared company in the Indian power sector.

Climate Change Legislation

Description

The Government of India has asked the thermal power producer to comply with the SOx and NOx regulations.

Though coal-based power continues to be in demand, stringent regulations against thermal power may lead to increased cost of generation.

Monitoring & Mitigation

The company has already changed the burners and is compliant with the NOx emissions. The company prefers to use low sulphur coal sourced from Indonesia and is already compliant with SOx emissions.

Coal based thermal power plants are expected to remain a significant contributor to India's energy mix and the climate change risk seems to be very low for thermal power plants in India due to current low per capita consumption of electricity, increasing demand, no significant new capacity addition in thermal power plants, retirement of old plants and mandatory base load requirement from thermal plants.

Board of Directors

Mr. N. Kumar

Non-Executive Chairman
(with effect from 4 April 2022)

Mr. Kumar is Vice-Chairman of The Sanmar Group, a multinational group, headquartered in Chennai, India, with activities spanning chemical production, engineering and shipping. He serves on the boards of various public bodies and a number of companies across various sectors including electronics, telecommunications, engineering, technology, management and finance. He is a former President of the Confederation of Indian Industry and is currently Chairman of the Indo-Japan Chamber of Commerce & Industry. He is the Honorary Consul General of Greece in Chennai. Mr. Kumar has a wide range of public interests in the areas of health, social welfare, sports and education, which include his role as President of Bala Mandir Kamaraj Trust and Managing Trustee of The Indian Education Trust. He is also a trustee of the World Wildlife Fund for Nature, India and is a former member of the Institute for Financial Management and Research. Mr. Kumar has a degree in Electronics Engineering from Anna University, Chennai and is a fellow member of the Indian National Academy of Engineering. He is also a life member of the Institute of Electronics and Telecommunications Engineers.

Mr. N. Kumar became the Non-Executive Chairman of the Company with effect from 4 April 2022. He is the Chairman of the Remuneration Committee and a member of the Nomination Committee and Audit Committee of the Board.

Mr. Jeremy Warner Allen

Non-Executive Deputy Chairman

Mr. Warner Allen has over 25 years' experience in capital markets. He is currently a Non-Executive Director of TP Group Plc. Prior to that he was an Executive Director, Board Member and Head of the Growth Companies Team at Cenkos Securities Plc., where he advised a number of AIM companies over a period of 11 years. Prior to joining Cenkos, he was a founding member of Beeson Gregory Limited and responsible for the UK sales desk, a role he retained when Beeson Gregory merged with Evolution Securities in 2002.

Mr. Jeremy Warner Allen is the Chairman of the Audit Committee and a member of the Remuneration Committee. He became Chairman of the Nomination Committee with effect from 4 April 2022.

Board of Directors (Contd.)

Ms. Avantika Gupta

Chief Operating Officer, Executive Director (until 4 April 2022)

Chief Executive Officer, Executive Director (with effect from 4 April 2022)

Ms. Gupta is a Barrister-at-law, England and Wales from Grays Inn, London. She completed her LLB, Bachelor of Laws from University College London and Bar Vocational Course from Inns of Court School of Law.

Ms. Gupta is a visionary thought leader and an energetic self-starter with a progressive mindset. She joined the Company in 2010 and headed the Legal function, driving the Group's litigations, commercial arbitrations and regulatory compliances. During this period, she was also jointly responsible for the development and commissioning of the Group's thermal and solar power projects in India. After transitioning to the role of Chief Operating Officer of OPG in 2018, she was instrumental in formulating the company's new sustainability strategy and implementing these measures across all locations.

Ms. Gupta has vast experience in a spectrum of disciplines relevant to the Energy and Power sector. She is committed to building OPG and its world-class team, as a leader in the energy transition space in India. Continuous stakeholder engagement and strategic collaborations are her core philosophy. She firmly believes that sustainable growth will be achieved by leveraging new age technology. She is a creative problem solver by nature who envisages out-of-the- box solutions to manage risks. She drives the company's endeavor at meeting and exceeding the performance metrics of top global companies in this sector by prioritizing an objective capital allocation process.

Currently, Ms. Gupta serves as the Group's Chief Executive Officer with effect from 4 April 2022. She is a member of the ESG Committee since June 2021.

Mr. P. Michael Grasby

Non-Executive Director

Mr. Grasby was re-appointed as a Non- Executive Director to the Board of OPG Power Ventures Plc. in February 2021. He was a Non-Executive Director of the Company from admission to AIM in May 2008 until November 2019 and has previously held a number of senior positions in the UK and international power sector. Mr. Grasby was a Non-Executive Director at Drax Group Plc. from December 2003 to April 2011. He retired from International Power in 2002, where he held a senior Vice-President position for global operations.

During his career he has held a number of senior positions in the UK and international power industry with the Central Electricity Generating Board and National Power. He was manager of Drax Power Station between 1991 and 1995, and director of operations for National Power's portfolio, with responsibilities for over 16,000 MW of generating capacity, until 1998. Following the demerger of National Power in 1999, he joined International Power as Senior Vice President, continuing with his international directorships and leading a major consortium in the Czech Republic. Mr. Grasby has experience of being a director of power companies in Portugal, Turkey and Pakistan. Mr. Grasby was a founder director of Strategic Dimensions, an executive recruitment business for technical, general and financial management roles in the energy, process and engineering sectors. He is a Chartered Engineer, FIET and FIMechE.

Mr. Grasby is the Chairman of the ESG Committee of the Company and a member of the Remuneration Committee. He became a member of the Nomination Committee with effect from 29 April 2022 and member of the Audit Committee with effect from 31 May 2022.

Mr. Ajit Pratap Singh

Chief Financial Officer, Executive Director
(with effect from 31 May 2022)

Mr. Ajit Pratap Singh is a management and finance professional currently associated with OPG Group as Executive Director of Indian operating subsidiary since February 2019. He has over 24 years of experience across mergers & acquisitions, structured finance, corporate finance, corporate commercial, corporate governance, treasury management and investor relations. Prior to joining OPG Power, Ajit has worked with leading corporate houses in India and internationally like JSW, Vedanta, Jaypee, Lohia and Ghazanfar Group in leadership roles. He has also worked with USAID, ADB and IFC (World Bank). Ajit is Fellow Member of the Institute of Company Secretaries of India, Fellow Member of the Institute of Cost Accountants of India, Chartered Financial Analyst (CFA), Certified Management Accountant (USA), Member of Chartered Institute of Public Finance& Accountancy (UK), Member of the Chartered Institute of Securities & Investments (UK). He is also law graduate, Post Graduate Diploma in Business Administration (Fin), Master of Science (MS - Fin) and Certificate holder in Strategic Management from Indian Institute of Management (IIM). He is associated with OPG Group since February 2019.

Mr. Ajit Pratap Singh was appointed as the Executive Director and Chief Financial Officer of the Company with effect from 31 May 2022. He is a member of the ESG Committee.

He is associated with OPG Group since February 2019 and leads the finance function of the Group.

Corporate Governance Report

Financial Year Ended 31 March 2023

Compliance with the Code

Since admission to AIM, the Group has grown substantially against a background of difficult trading conditions within the Indian electricity generation sector.

Over the past few years, the company faced a challenging business environment on account of the Covid-19 pandemic and then the spike in coal prices on account of the Russia and Ukraine conflict. With rationalization in coal prices, and growth in the power demand in India, the company is poised for the next phase of its development. The key objective is to build on these achievements and the Board has therefore adopted an approach to governance that is proportionate with and appropriate to the current size and complexity of the Group.

The Company is committed to high standards of corporate governance and places good governance at the heart of the business. In March 2020, the Board of the Company formally adopted the Quoted Companies Alliance's ("QCA") corporate governance code ("the Code") in line with requirements of the AIM Rules for Companies. In accordance with AIM Rule 26, the Directors review the compliance with the Code on an annual basis. The Board believes that the QCA Code provides the Company with a rigorous corporate governance framework to support the business and its success in the long-term. The Code sets out ten corporate governance principles. The ways in which the Company meets the following principles are described on our website at www.opgpower.com/investors/aim-rule-26/index.html:

1. Establish a strategy and business model which promotes long-term value for shareholders.
2. Seek to understand and meet shareholder needs and expectations.
3. Take into account wider stakeholder and social responsibilities and other implications for long-term success.
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation.
5. Maintain the board as a well-functioning, balanced team led by the chair.
6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities.
7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement.
8. Promote a corporate culture that is based on ethical values and behaviour.
9. Maintain governance structures and processes that are fit for purpose and support good decision making by the board.
10. Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

Board of Directors as at 31 March 2023

The Board of the Directors of the Company comprised of the following individuals as at 31.03.2023:

1. Mr. N. Kumar (Non-Executive Chairman);
2. Ms. Avantika Gupta (Chief Executive Officer); and
3. Mr. Ajit Pratap Singh (Chief Financial Officer).

Non-executive Directors as at 31 March 2023

1. Mr. Jeremy Warner Allen (Deputy Chairman); and
2. Mr. P. Michael Grasby (Non-Executive Director)

Changes in the Board of Directors

Mr. Arvind Gupta resigned from the Board of the Company and was replaced by Mr. N. Kumar as Non-Executive Chairman of the Company with effect from 4 April 2022. Ms. Avantika Gupta was appointed as the Chief Executive Officer of the Company with effect from 4 April 2022.

Mr. Dmitri Tsvetkov, Chief Financial Officer stepped down and retired from the Board of Directors of the Company with effect from 31 May 2022 and Mr. Ajit Pratap Singh was appointed as the Executive Director and Chief Financial Officer of the Company with effect from 31 May 2022.

The Board of Directors of the Company placed on record its sincere appreciation for the valuable services rendered by Mr. Arvind Gupta and Mr.Dmitri Tsvetkov during their respective tenures.

Changes in constitution of the Committees

Mr. Ajit Pratap Singh became a member of the ESG Committee in place of Mr. Dmitri Tsvetkov with effect from 31 May 2022.

Mr. P. Michael Grasby became member of the Nomination Committee and Audit Committee with effect from 29 April 2022 and 31 May 2022 respectively.

Mr. Jeremy Warner Allen became Chairman of the Nomination Committee with effect from 4 April 2022.

The Board considers that, as at the date of this report, it complies with Code provision, which requires that, there should be at least two independent Non-executive Directors. Mr. Jeremy Warner Allen, Mr. N. Kumar and Mr. P.Michael Grasby are considered to be independent under the Code. Biographical details of all the Directors at the date of this report are set out on pages 33, 37 to 39 together with details of their membership, as appropriate, of the Board Committees. The Board is responsible for setting the Company's objectives and policies and providing effective leadership and the controls required for a publicly listed company. Directors receive papers for their consideration in advance of each Board meeting, including reports on the Group's operations to ensure that they remain briefed on the latest developments and are able to make fully informed decisions. The Board met three times during the year under review. All the board meetings during the year were held by Video Conference.

During the beginning of FY 22, the Executive Committee ('ExCo') comprised of the three Executive Directors and four members of senior management. All Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. Consequent to the changes in the Board of Directors, effective from 4 April 2022 and 31 May 2022 as indicated above, the Executive Committee as at the date of this Report comprises of Ms. Avantika Gupta, Chief Executive Officer, Director and Mr. Ajit Pratap Singh, Chief Financial Officer, Executive Director and four members of senior management.

Directors have the right to request that any concerns they have are recorded in the appropriate Committee or Board minutes. Informal procedures are in place for Directors to take independent professional advice at the Company's expense although these are not currently set down in writing.

The Company maintains Directors' and officers' liability insurance and indemnity cover, the level of which is reviewed annually.

Division of Responsibilities

Mr. N. Kumar, the Company's Non-Executive Chairman is responsible for the matters relating to strategic decisions and functioning of the Board. Ms.Avantika Gupta, Chief Executive Officer is responsible for the day-to-day running of the operations of the Company and heads the Executive Committee. Mr. Jeremy Warner Allen is the Deputy Chairman. In the Board's view, these arrangements together ensure an appropriately clear division of responsibilities between the running of the Board and the executive responsibility for the running of the Company's business.

Chairman and Deputy Chairman

The Chairman's key responsibilities were the effective running of the Board, proposing and developing the Group's strategy and ensuring that the Board plays a full and constructive part in the development and determination of the Group's strategy and overseeing the Board's decision-making process.

Mr. Jeremy Warner Allen, the Deputy Chairman, is available to shareholders who have concerns that cannot be resolved through discussion with the Chairman. The role of the Deputy Chairman is to support and tender advice to the Chairman on all governance matters.

Re-election of Directors

At every AGM, one-third of the Directors for the time being (excluding any Director appointed since the previous AGM) or, if their number is not divisible by three, the number nearest to one-third, shall retire from office by rotation. Mr. N. Kumar and Mr. P. Michael Grasby, Non-Executive Directors shall retire from office by rotation and are up for re-election at the forthcoming AGM.

Information and professional development

All Directors received a briefing from the Company's nominated adviser of their duties, responsibilities and liabilities as a Director of an AIM company. In addition, all Directors receive a regular briefing on the AIM Rules for Companies and the Market Abuse Regulations (MAR) from the Company's Nominated Adviser. Directors are encouraged to keep abreast of developments and attend training courses to assist them with their duties.

In addition to the formal meetings of the Board, the Chairman is available to the other Non-executive Directors to discuss any issues of concern they may have relating to the Group or as regards to their area of responsibility and to keep them fully briefed on ongoing matters relating to the Group's operations.

Board performance and evaluation

The Chairman, as part of his responsibilities, informally assesses the performance of the Board and its Directors on an ongoing basis and brings to the Board's attention any areas for improvement. For the time being, the Board will continue to evaluate in this way the balance of skills, experience, independence and knowledge required to ensure that its composition is appropriate to the Group's size and complexity. In 2019 the Board introduced a process of self- evaluation of its performance and completed its first self-evaluation.

Meetings of the Board and its Committees

The following table sets out the number of meetings of the Board and its Committees during the year under review and individual attendance by the relevant members at these meetings:

	Board Committee meetings							
	Board meetings		**Audit Committee**		**Nomination Committee**		**ESG Committee**	
	Number	**Attended**	**Number**	**Attended**	**Number**	**Attended**	**Number**	**Attended**
N. Kumar*	4	4	3	3	2	2	NA	NA
Avantika Gupta	4	4	NA	NA	NA	NA	1	1
Ajit Pratap Singh**	4	3	NA	NA	NA	NA	1	1
Dmitri Tsvetkov***	4	1	NA	NA	NA	NA	1	0
Jeremy Warner Allen	4	3	3	2	2	2	NA	NA
P.Michael Grasby	4	4	3	3	2	1	1	1
Number of meetings held during the year	**4**		**3**		**2**		**1**	

*Mr. N. Kumar became the Non-Executive Chairman with effect from 4 April 2022.

**Mr. Ajit Pratap Singh was appointed as Chief Financial Officer, Executive Director with effect from 31 May 2022

***Mr. Dmitri Tsvetkov resigned as Chief Financial Officer, Executive Director from the Board with effect from 31 May 2022.

Notes:-

1. Mr. Arvind Gupta resigned from the Board of Directors of the Company with effect from 4 April 2022.

2. Mr. Arvind Gupta was the Chairman of the Nomination Committee till 04 April 2022 and Mr. Jeremy Warner Allen became the Chairman of the Nomination Committee wef 04 April 2022

3. Mr. P. Michael Grasby became member of the Nomination Committee and Audit Committee with effect from 29 April 2022 and 31 May 2022 respectively.

4. There were no meetings of Remuneration Committee held during the FY23.

In the event that Directors are unable to attend a meeting, their comments on the business to be considered at the meeting are discussed in advance so that their contribution can be included in the wider Board discussions.

Board Committees

Audit Committee

As on 31 March 2023, the members of the Audit Committee were Mr. Jeremy Warner Allen, Mr. N Kumar and Mr. P. Michael Grasby. Mr. P. Michael Grasby became member of the Audit Committee with effect from 31 May 2022. Mr. Jeremy Warner Allen, Chairman of the Committee is considered to have continuing, relevant financial experience. The Chief Executive Officer and Chief Financial Officer and also, as necessary, a representative of the auditors are normally invited to attend meetings of the Committee.

The primary duty of the Audit Committee is to oversee the accounting and financial reporting process of the Group, the external audit arrangements, the internal accounting standards and practices, the independence of the external auditor, the integrity of the Group's external financial reports and the effectiveness of the Group's risk management and internal control system.

The Audit Committee met thrice during the year and considered the following matters during the year under review:

- Committee at its meeting held on 28 September 2022 approved the FY22 Annual Report and Financial Statements for the year ended 31 March 2022; and
- Committee at its meeting held on 7 December 2022 approved the Financial Statements for the H1 FY23.
- Committee at its meeting held on 29th March 2023, approved the appointment of BDO LLP as its Statutory Auditors for the Audit of year ending 31 03 2023.

The Audit Committee considered relevant significant issues in relation to the financial statements taking into account business developments during the year and risks and matters raised in the external auditors' FY22 final and FY23 planning reports to the Audit Committee. These issues were addressed as part of preparation of the FY23 financial statements.

Remuneration Committee

The Remuneration Committee currently consists of Mr. N Kumar, Mr. Jeremy Warner Allen and Mr. Michael Grasby.

The primary duty of the Remuneration Committee is to determine and agree with the Board the framework or broad policy for the remuneration of the Executive Directors and such other members of the executive management team of the Group as is deemed appropriate. The remuneration of the Non-executive

Directors is a matter for the executive members of the Board. No Director may be involved in any decisions as to his own remuneration.

Full details of the role and composition of the Remuneration Committee, the remuneration policy of the Company and its compliance with the Code provisions relating to remuneration are set out in the Directors' Remuneration Report on pages 47 to 49.

Nomination Committee

As on 31 March 2023, the members of the Nomination Committee were Mr.Jeremy Warner Allen, Mr. N Kumar and Mr. P. Michael Grasby. Mr.Arvind Gupta was the Chairman of the Committee till 4 April 2022. Mr. Jeremy Warner Allen became the Chairman of the Committee with effect from 4 April 2022. Mr. P. Michael Grasby became a member of the Committee with effect from 29 April 2022.

The primary duty of the Nomination Committee is to lead the process for Board appointments and make recommendations to the Board. The Nomination Committee regularly reviews the composition of the Board to ensure that the Board has an appropriate and diverse mix of skills, experience, independence and knowledge of the Group. Ms. Avantika Gupta's presence in the Board is a testament to the gender diversity in the Board.

Environmental, Social, and Governance ("ESG") Committee

The Company's ESG Committee was created on 28 June 2021 and Mr. P. Michael Grasby was appointed as Chairman of this committee with effect from 28 June 2021. The other members of the ESG committee were Ms. Avantika Gupta and Mr.Dmitri Tsvetkov.

Consequent to the changes in the Board of Directors, effective from 31 May 2022, the Company's ESG Committee comprises of Mr. P. Michael Grasby, Ms.Avantika Gupta and Mr.Ajit Pratap Singh. The primary duty of the ESG Committee is to establish objectives and the milestones to achieve short and long-term ESG goals and to lead the process of development and implementation of Company's ESG strategy.

Accountability and Audit

Risk management and internal control

The Board has overall responsibility for the Group's system of internal control, which includes risk management. The Board has delegated the responsibility for reviewing the effectiveness of its internal control systems to the Audit Committee. The Audit Committee reviews these systems, policies and processes for tendering, authorisation of expenditure, fraud and the internal audit plan.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has instructed the ExCo to be a leading part of its process to identify, evaluate and manage the significant risks the Group faces, which is in accordance with the current guidance on internal control. The Audit Committee will assist the Board in discharging its review responsibilities. The Board has carried out a robust assessment of the principal risks faced by the Group, including those that would threaten its business model, future performance, solvency or liquidity. A summary of the key risks facing the Group and mitigating actions is described on pages 34 to 36.

Assurance

BDO LLP were appointed as auditor for the Group for the financial years ended 31 March 2020, 31 March 2021 and 31 March 2022 following a tender process. The Audit Committee reviewed the effectiveness of the external auditor and BDO LLP was reappointed for the financial year ended 31 March 2023. The Audit Committee's assessment was based on inputs obtained in the course of monitoring the integrity of the financial statements and the significant financial reporting issues and judgements underlying the financial statements, and on its direct interactions with the external auditors. The Audit Committee's principal interactions with the auditors were its discussions of the audit work performed on areas of higher audit risk and the basis for the auditors' conclusions on those areas. These interactions were supplemented by others that enabled them, for example, to gauge the depth of the auditors' understanding of the Company's business. The Audit Committee's review focused on the level of experience and expertise of the audit team, their objectivity and professional scepticism, and their preparedness to challenge management in a knowledgeable, informed and constructive manner. The Committee's review also took account of feedback from management on the effectiveness of the audit process.

The Audit Committee considers that, at this stage in the Group's development, it is more efficient to use a single audit firm to provide certain non-audit services for transactions and tax matters. However, to regulate the position, the Committee will at the appropriate time establish a policy on the provision of non-audit services by the external auditor. That policy will set out the external auditor's permitted and prohibited non-audit services and a fee threshold requiring prior approval by the Audit Committee for any new engagement. The external auditor did not provide any non-audit services during the year.

Viability statement

A statement on the Directors' position regarding the Company as going concern is contained in the Directors' Report on pages 45 and 46. As part of an annual strategy session, the Directors have assessed the prospects of the Group over a period significantly longer than the 12 months required by the going concern. In this assessment, the Board has considered the principal risks faced by the Group, relevant financial forecasts and the availability of adequate funding. The Board conducted this assessment over a period to the end of calendar year 2024, primarily because this was the remaining period of repayment of term loans. Based on its review, the Board is satisfied the viability of the Group would be preserved and have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the two-year period of their assessment.

Shareholder Relations and the Annual General Meeting

The Board is committed to maintaining an ongoing dialogue with its shareholders. The Directors are keen to build a mutual understanding of objectives with its principal shareholders. To this end, the Chairman and Chief Financial Officer together with the Deputy Chairman met with a number of institutional shareholders during the year. The Directors also encourage communications with private shareholders and encourages their participation in the AGM.

Mr. N. Kumar is primarily responsible for ensuring the effective communication of shareholders' views to the Board as a whole and updates the Board accordingly. Board members keep abreast of shareholder opinion and discuss strategy and governance issues with them as appropriate.

Notice of the AGM will be sent to shareholders at least 21 clear days before the meeting. The voting results will be made available on the Company's website following the meeting.

The Company uses its corporate website (www.opgpower.com) to communicate with its institutional shareholders and private investors and posts the latest announcements, press releases and published financial information together with updates on current projects and other information about the Group.

Directors' Report

The Directors present their report, together with the audited financial statements of the Group, for the year ended 31 March 2023.

Principal activity

OPG Power Ventures Plc ("the Company" or "OPG") is a public limited company incorporated in the Isle of Man, registered number 002198V, which is quoted on the AIM Market of the London Stock Exchange ("AIM").

The Company 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 captive power users 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 under the 'Captive' provisions mandated by the Government of India.

Results

The Group's results for the year ended 31 March 2023 are set out in the Consolidated Statement of Comprehensive Income. The Group's profit for the year after tax was £7.26 million (2022: £5.98 million).

A review of the Group's activities is set out in the Chairman's statement.

Directors

The Board of Directors of the Company comprised of the following Directors as at 31 March 2023 :

Sl. No.	Name of the Directors	Profile
1.	Mr. N. Kumar	Non-Executive Chairman, Member of Audit Committee and Nomination Committee, Chairman of Remuneration Committee
2.	Ms. Avantika Gupta	Chief Executive Officer, Executive Director and Member of ESG Committee
3.	Mr. Ajit Pratap Singh	Chief Financial Officer, Executive Director and Member of ESG Committee
4.	Mr. Jeremy Warner Allen	Deputy Chairman, Non-Executive Director, Chairman of Audit Committee and Nomination Committee and Member of Remuneration Committee
5.	Mr. P. Michael Grasby	Non-Executive Director, Member of Audit Committee, Nomination Committee, Remuneration Committee and Chairman of ESG Committee.

Directors' liability insurance and indemnities

The Company maintains liability insurance for the Directors and officers of OPG.

Indemnities are in force under which the Company has agreed to indemnify the Directors to the extent permitted by applicable law and the Company's Articles of Association in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities as Directors of the Company.

Neither the Group's liability insurance nor indemnities provides cover in the event that a Director or officer is proved to have acted fraudulently or dishonestly.

Share capital

The issued share capital of the Company at 31 March 2023 was £58,909 comprising 400,733,511 ordinary shares of £0.000147 each, of which there are no designated treasury shares.

Political donations

The Group has made no political donations during the year under review.

Going concern

As highlighted in the Consolidated Statement of Cash Flows and notes 5 (a) and 22 to the financial statements, the Group meets its day-to-day working capital requirements through cash from operations and bank facilities.

The world economy and the Indian economy have been facing tumultuous times. First, ravaged by the Covid-19 virus, and later on by the war in Ukraine that has led to a sharp increase in commodity prices and consequently inflation. Our key commodity including coal was also impacted by the surge in prices. .The Group has considered the possible effects that may result from the pandemic and the abnormal increase in coal prices on the carrying amounts of receivables and other financial assets and carried out a Reverse Stress Test ("RST"). Based on the RST analysis, we can conclude that the Group is in strong position to navigate the current situation caused by the Covid-19 pandemic and the war in Ukraine and going concern is not an issue.

Further information on the financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Review. In addition, note 30 to the financial statements details the Group's objectives, policies and processes for managing its capital and its exposures to credit risk and liquidity risk.

The management's forecasts and projections, taking account of possible changes in trading performance, show that the Group should be able to operate within the level of its current facility.

After making enquiries, the Board has a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence over a period of at least 12 months from the date of approval of the financial statements. Accordingly, the Board considers it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Substantial shareholdings

Details of the Company's substantial shareholdings are set out on the Company's website at www.opgpower.com. The Company has been notified, in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, of the following interests (whether directly or indirectly held) in 3% or more of the Company's total voting rights at 31 March 2023:

	Percentage of voting rights and issued share capital	Number of ordinary shares
Gita Investments Limited and related parties and Directors	51.8%	207,568,079
Prana GP Limited (held in Forest Nominees Limited)	5.0%	20,000,000
Talisman 37 Limited (held in Forest Nominees Limited)	5.0%	20,000,000
British Steel Pension Scheme	3.3%	13,177,222

Registered agent

The registered agent of the Company at 31 March 2023 was FIM Capital Limited who served throughout the year and has continued to date.

Financial instruments

Information on the Group's financial risk management objectives and policies and its exposure to credit risk, liquidity risk, interest rate risk and foreign currency risk can be found in note 30.

Disclosure of information to the auditor

The Directors serving at the date of approval of the financial statements confirm that:

1. to the best of their knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware; and

2. each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

   This report was approved by the Board of Directors on 3 November 2023 and signed on its behalf by:

Philip Scales

Company Secretary

OPG Power Ventures Plc

55 Athol Street

Douglas

Isle of Man

IM1 1LA

3 November 2023

Directors' Remuneration Report 2023

Introduction

This report sets out information about the remuneration of the Directors of the Company for the year ended 31 March 2023. As a company admitted to trading on AIM, OPG is not required to prepare a directors' remuneration report. However, the Board follows the principle of transparency and has prepared this report in order to provide information to shareholders on executive remuneration arrangements. This report has been substantially prepared in accordance with the Schedule 8 of the Large and Medium Sized Companies and Groups (Accounts and Reports) (2008) (the 'Regulations').

Remuneration Committee

The Remuneration Committee as at 31 March 2023 comprises of Mr. N Kumar, Mr. Jeremy Warner Allen and Mr. P. Michael Grasby, who are independent Non-Executive Directors. Mr. N.Kumar is the Chairman of the Remuneration Committee.

Terms of reference have been approved for the Remuneration Committee the primary duty of which is to determine and agree with the Board the framework or broad policy for the remuneration of the Executive Directors, senior managers and such other members of the executive management team of the Group as is deemed appropriate. The remuneration of the Non-Executive Directors is a matter for the executive members of the Board.

The principal responsibilities of the Committee include:

- assessing and setting compensation levels for Directors and senior managers;
- reviewing the ongoing appropriateness and relevance of the remuneration policy at regular intervals to ensure that members of the executive team are provided with incentives that encourage enhanced performance;
- reviewing the design of share incentive plans for the approval of the Board or shareholders, as appropriate; and
- ensuring that contractual terms on termination are such that failure is not rewarded and that the duty to mitigate losses is fully recognised in the drafting of Directors' service agreements and letters of appointment.

In fulfilling these duties, the Committee shall be cognisant of remuneration trends across the Group and within the sector in which the Group operates.

The Executive Directors and external advisers may be invited to attend meetings of the Remuneration Committee but do not take part in the decision making.

There were no meetings of Remuneration Committee held during the FY23.

Remuneration policy

The Remuneration Committee seeks to maintain a remuneration policy to ensure that the Company is able to attract, retain and motivate its Executive Directors and senior management.

The retention of key management and the alignment of management incentives with the creation of shareholder value are key objectives of this policy.

The Group therefore sets out to provide competitive remuneration for all its management and employees appropriate to the business environment in the market in which it operates and in recognition of their contribution to Group performance. To achieve this, the remuneration package is based upon the following principles:

- total rewards should be set to provide a fair and attractive remuneration package;
- appropriate elements of the remuneration package should be designed to reinforce the link between performance and contribution to the Group's success and reward; and
- Executive Directors' incentives should be aligned with the interests of shareholders.

The remuneration strategy is designed to be in line with the Group's fundamental values of fairness, competitiveness and equity, and also to support the Group's corporate strategy. The Group seeks increasingly to align the interests of shareholders with those of Directors and senior employees by giving the latter opportunities and encouragement to build up a shareholding interest in the Company.

Long-term incentives

The Remuneration Committee believes that it is appropriate to operate share incentive schemes to encourage Executive Directors and senior employees to meet the Group's long-term strategic and financial objectives set by the Board.

Long Term Incentive Plan ('LTIP')

In April 2019, the Remuneration Committee of the Board of Directors approved the introduction of an LTIP, which was subsequently revised in July 2019, for a performance-related award of up to 14.0 million new ordinary shares (representing approximately 3.6 per cent of the Company's issued share capital) in order to incentivise further the executives and senior management to deliver its planned strategy.

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 OPG until vesting and meeting the following share price performance targets, plant load factor and term loan repayments of the Chennai thermal plant.

- 20 per cent 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 per cent at the Chennai thermal plant and repayment of all scheduled term loans;
- 40 per cent 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 per cent at the Chennai thermal plant and repayment of all scheduled term loans;
- 40 per cent 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 per cent at the Chennai thermal plant during the period April 2021 to March 2022 and repayment of all scheduled term loans.

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.

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.

No changes/revisions were made to LTIP during the FY23 and no shares were issued during FY 23 . The Carry forward shares under LTIP reserves will be issued in the year 23-24.

In April 2020, and upon meeting relevant performance targets, 80 per cent of the first tranche of LTIP shares vested, 1,185,185 to Arvind Gupta, Chairman, 568,889 to Dmitri Tsvetkov, CFO and 284,445 to Avantika Gupta, COO. These shares will be issued later this year. The share price performance and other performance targets for the second and third tranches of LTIP shares were not achieved primarily due to the COVID-19 impact and therefore 10,192,593 LTIP shares outstanding under these tranches to three executive directors didn't vest and expired.

Annual bonus

The Remuneration Committee considered bonuses for Executive Directors who were entitled performance bonuses with respect to FY23. In light of current market conditions, it was decided that no bonuses would be awarded to Executive Directors in FY23. No bonuses were awarded to Executive Directors in Fthe previous year due to market conditions.

Non-Executive Directors

The remuneration of the Non-executive Directors consists of fees that are paid quarterly in arrears. The Non-executive Directors do not have a contract of employment with the Company. Each has instead entered into a contract for services with the Company.

External appointments

It is the Board's policy to allow the Executive Directors to accept directorships of other companies provided that they have obtained the consent of the Board. Any such directorships must be formally notified to the Board.

Directors' interests in ordinary shares

The interests of Directors in the ordinary share capital of the Company during the year were as follows:

	31 March 2023	31 March 2022
Gita Investments Limited and related parties[1]	206,432,166	206,432,166
Jeremy Warner Allen	1,124,680	1,124,680
Dmitri Tsvetkov*	NA	1,126,691
N Kumar	-	-
Michael Grasby	11,233	11,233
Total	**207,568,079**	**208,694,770**

[1]Beneficial interest in these shareholdings vests with Gupta's family.

*Mr. Dmitri Tsvetkov, Chief Financial Officer stepped down and retired from the Board of Directors of the Company with effect from 31 May 2022.

Changes in Directors' interests between 31 March 2023 and the date of this report :

	31 March 2023	31 March 2022
Gita Investments Limited and related parties- (Purchase of Shares)	206,507,166	206,432,166

No Director had any interest in any contract of significance with the Group during the year ended 31 March 2023 other than their service contracts.

Directors' remuneration for the period 1April 2022 to 31 March 2023. Salary, annual bonus and benefits.

	Salary/fees £	Annual bonus £	Total FY23 £	Total FY22 £
Non-Executive Chairman				
N Kumar*	45,000	–	45,000	22,500
Executive Directors				
Dmitri Tsvetkov**	25,000	–	25,000	150,000
Ajit Pratap Singh***	186,620		186,620	-
Avantika Gupta	229,861	–	229,861	59,043
Non-executive Directors				
Jeremy Warner Allen	42,920	–	42,920	25,000
Michael Grasby	45,000	–	45,000	22,500
Total	**574,401**	**–**	**574,401**	**279,043**

*N.Kumar became the Non-Executive Chairman of the Company with effect from 4 April 2022.

**Mr. Dmitri Tsvetkov, Chief Financial Officer stepped down and retired from the Board of Directors of the Company with effect from 31 May 2022.

***Ajit Pratap Singh was appointed as Chief Financial Officer, Executive Director with effect from 31 May 2022.

As part of the COVID-19 response, the Company had implemented various cost reduction and efficiency improvement measures to conserve cash and improve liquidity, including voluntary 100 per cent salary reduction for the Chairman and voluntary reductions up to 50 per cent in compensation for Executive and Non-Executive Directors for FY21. With effect from 1 April 2022, it was decided to reinstate the remuneration payable to the Non-Executive Directors of the Company.

No consideration was paid or received by third parties for making available the services of any Executive or Non- Executive Director.

Under her service agreement, Ms. Avantika Gupta is entitled to medical, insurance and other allowances. During the year 2022-23, Ms. Avantika Gupta received medical and insurance aggregating to £105,881. During the year 2021-22, Ms. Avantika Gupta received medical, insurance and other allowances aggregating to £7,085 respectively.

Directors' LTIP

Directors' LTIP	LTIP granted	LTIP as at 1 April 2022	Granted	Movements during the period Expired /Cancelled	Exercised	LTIP Outstanding 31 March 2023	Latest vesting date
Arvind Gupta	24 April 2019	1,185,185	Nil	0	Nil	1,185,185	24 April 2020
Dmitri Tsvetkov	24 April 2019	568,889	Nil	0	Nil	568,889	24 April 2020
Avantika Gupta	24 April 2019	284,445	Nil	0	Nil	284,445	24 April 2020

At 31 March 2023, the closing mid-market price of the Company's shares was 7.15 pence. During the year under review, the Company's closing mid-market share price ranged between a high of 20.25 pence and a low of 7.15 pence.

This report has been approved by the Board of Directors of the Company.

N. Kumar

Chairman, Remuneration Committee

3 November 2023

Statement Of Directors' Responsibilities

Directors' responsibilities

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the Group financial statements. The Directors are required to prepare financial statements for the Group in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board. Company law requires the Directors to prepare such financial statements in accordance with IFRS and the Companies Act 2006.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Group's and Company's financial position, financial performance and cash flows. This requires the fair presentation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable International Financial Reporting Standards. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as issued by the International Accounting Standards Board, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Responsibility statement of the directors in respect of the annual financial report

We confirm that to the best of our knowledge:

– the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and

– the strategic report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the Isle of Man governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

On behalf of the Board by:

Philip Scales

Company Secretary

OPG Power Ventures Plc

55 Athol Street

Douglas

Isle of Man

IM1 1LA

3 November 2023

Independent auditor's report

To the members of OPG Power Ventures Plc

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 March 2023 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as issued by the IASB; and
- have been prepared in accordance with the requirements of the Companies Act 2006 (Isle of Man).

We have audited the financial statements of OPG Power Ventures plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial position, the Consolidated statement of comprehensive income, the Consolidated statement of changes in equity, the Consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as issued by the International Accounting Standards Board (IASB), as applied in accordance with the provisions of the Companies Act 2006 (Isle of Man).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs

(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting is included in the Key audit matters section of our report.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Coverage	100% (2022: 100%) of Group profit before tax		
	100% (2022: 100%) of Group revenue		
	100% (2022: 100%) of Group total assets		
Key audit matters		**2023**	**2022**
	Carrying value of the thermal power station	✓	✓
	Going concern	✓	✓
	Accounting for assets held for sale	✓	✓
Materiality	Group financial statements as a whole		
	£720K (2022:£650K) based on 5.5% of average profit before tax over three year period (2022: 5%) of Profit before tax		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

At 31 March 2023 the Group had 11 components whose transactions and balances are included in the consolidated accounting records. Of these 11 components, 1 was identified as a significant component and has been subject to a full scope audit. The remaining components were considered to be non-significant; 5 have been subject to analytical review procedures and 5 have been audited to Group materiality, with all non-significant components having additional testing carried out on specific significant balances where required for the purpose of issuing the opinion on the Group financial statements. The significant component, located in India, was subject to a full scope audit undertaken by BDO India. The procedures on the non-significant components were carried out by the Group audit team. Each component's financial information could be selected for the purpose of representative sampling and key item testing.

Our involvement with component auditors

For the work performed by component auditors, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole. Our involvement with component auditors included the following:

- Issuance of Group instructions detailing the level of materiality, risk areas and other specific areas of focus;
- Regular correspondence during the audit process to monitor progress and ensure early warning of any areas of concern, particularly in relation to risk areas;
- A review of all audit work by the Group audit team to ensure that the required assurance had been obtained for the purposes of the Group opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		How the scope of our audit addressed the key audit matter
Carrying value of thermal power station Please refer to note 15, accounting policies in note 5(l), and key sources of estimation uncertainty in note 6(b)(ii).	The Group's thermal power station represents its most significant asset and totals £165.6 million as at 31 March 2023. Management is required to assess whether they consider there are any indications that the Group's assets may be impaired as at 31 March 2023. This assessment is undertaken in line with IAS 36 Impairment of Assets. Management determined that the indicators of impairment were the market capitalisation of the Group being lower compared to the carrying value of the power station and the group not performing in the financial year 2023 as per forecasted results. The future viability and recoverability of the power station is underpinned by the results achieved to date and the prediction of future value based on the future cash inflows generated from the assets. There has been no impairment charge recognised in the year.	We reviewed management's assessment of indicators of impairment and evaluated management's impairment models for the thermal power assets against historical performance and our understanding of the operations. We challenged the key estimates and assumptions used by management as set out below: Our testing included comparison of the tariffs used in the models to underlying contracts, recalculation of discount rates and a critical review of the forecast production and cost profiles against empirical performance and forward coal price data which has been corroborated to evidence from third parties. We involved internal valuation team to provide comfort on discount rates used. We sensitised the models for reasonable movements in all key judgement areas to ascertain whether there remained a reasonable expectation that there would remain adequate headroom in excess of the carrying values.

Key audit matter		How the scope of our audit addressed the key audit matter
	The assessment of the recoverable amount of the thermal power required significant judgement and estimation by management and was therefore considered to be a key audit matter.	**Key observations:** Based on the procedures above, we found the Group's impairment assessment to be appropriate and confirmed that its impairment model supports the carrying value of the thermal power station.
Going concern Please refer to accounting policies in note 5(a).	The Directors are required to make an assessment on the Group's ability to continue as a going concern. As part of this the Directors have considered a number of scenarios as further described in note 5(a). In light of the sharp fluctuations in coal prices primarily due to Russia-Ukraine war, industry-wide supply issues and the resultant economic uncertainty, we considered the ability of the Group to operate within its facilities (including meeting the required covenants), continue as a going concern in this environment, and ensure appropriate disclosure of key areas of subjectivity within the financial statement disclosures to be a key audit matter.	Our procedures included the following: We reviewed the Directors' assessment of going concern through analysis of the Group's cash flow forecast through to 31 March 2025, including assessing and challenging the assumptions underlying the forecasts through corroboration of key assumptions to external information and a consideration of the key sensitivities as noted below. We obtained and understood the Group's financing facilities, including the nature of facilities, repayment terms and covenants. We then assessed the facility headroom calculations on both a base case scenario, and the Directors' downside scenarios as a result of the economic uncertainty. We have corroborated the movement on sensitivities such as coal prices and foreign exchange rates to third party data and forecasts. We have assessed the adequacy and appropriateness of disclosures in the financial statements regarding the going concern assessment. **Key observations:** Our key observations are noted in the conclusions relating to going concern section.
Accounting for assets held for sale Please refer to note 7(b), accounting policies in note 5(q), and key sources of estimation uncertainty in note 6(a).	The Group holds investments in associates relating to their solar projects which were previously accounted for as held for sale under IFRS 5 Non-current Assets Held for Sale. In current year as these assets are no longer classified as it was determined there was no longer a realistic expectation of a sale within 12 months. As a result, the impact of impairment provided during previous years while these investments were categorised as Assets held for sale were reversed and the current year's result, together with carried forward reserves, were recognised as Share of Profits to the extent of 31% shareholding, from the Associate Entities. Given the judgement involved around the appropriateness of the classification as held for sale, and the determination of the reversal of previous impairments, the accounting for the assets held for sale was considered to be a key audit matter.	Our procedures included the following: We have considered the classification of these assets as 'held for sale' against the criteria set out in IFRS 5. As these assets where classified as investments in associates, we reviewed management's assessment of indicators of impairment and evaluated management's impairment models. We challenged the key estimates and assumptions used by management as set out below: Our testing included comparison of the tariffs used in the models to underlying contracts, recalculation of discount rates and a critical review of the forecast production. We involved internal valuation team to provide comfort on discount rates used. We sensitised the models for reasonable movements in all key judgement areas to ascertain whether there remained a reasonable expectation that there would remain adequate headroom in excess of the carrying values. **Key observations:** Based on the procedures above, we found the Group's assessment of classification of such assets to be appropriate and its impairment model supports the carrying value of the investments to be appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements	
	2023 £m	**2022 £m**
Materiality	£720k	£650k
Basis for determining materiality	5.5% of average profit before tax over three year period	5% of profit before tax
Rationale for the benchmark applied	We considered 5.5% of average profit before tax over three years to be a key performance benchmark for the Group and the users of the financial statements in assessing financial performance. Due to profit before tax fluctuating significantly from one year to another we considered an average of pre-tax profit over a period of three years.	We considered 5% of profit before tax to be a key performance benchmark for the Group and the users of the financial statements in assessing financial performance.
Performance materiality	£540k	£488k
Basis for determining performance materiality	75% of Materiality Based on the considerations there are relatively few financial statement areas to be tested and few with significant levels of judgement required; we do not expect the population to include a high value of misstatements and there are none brought forward; and management is conducive to adjusting any found misstatements.	
Rationale for the percentage applied for performance materiality	As per our risk assessment, together with our assessment of the Group's control environment, a low expected level of errors, and management's accommodating attitude to proposed adjustments, our judgement is that performance materiality for the financial statements should be 75% of materiality.	

Component materiality

We set materiality for the significant component of the Group , based on a percentage of 35% (2022: 77%) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality in respect of the significant component was £250k (2022: £500k). In the audit of the significant component, we further applied performance materiality level of 75% (2022: 75%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £21k (2022: £20k). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the FY23 Annual Report & Accounts other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent 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 Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the applicable accounting framework, AIM Listing Rules, Income Tax Act 1961,The Electricity Act 2003, Sharing of Transformation Charges Regulation 2019 and Power Market Regulations 2010.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be local health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of component auditor tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the area's most susceptible to fraud to be in relation to management override of controls, the inappropriate or incorrect recognition of revenue, the carrying value of the thermal power station and the accounting for the assets held for sale (the latter two were assessed as Key audit matters above).

Our procedures in respect of the above included:

- Discussions with the Directors, Group and local management, and the Audit Committee regarding known or suspected instances of fraud, including gaining an understanding of where they considered there was a susceptibility to fraud;
- We obtained an understanding of the processes that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how management monitors those processes;
- We carried out procedures to check that revenue was recognised in the correct period;
- Work on key areas of judgement are detailed above in the key audit matters section; and
- Assessing journal entries as part of our planned audit approach. We also performed an assessment on the appropriateness of key judgements, including the key audit matters detailed above, and estimates which are subject to managements' judgement and estimation, and could be subject to potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with our engagement letter dated 31 August 2023. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Chartered Accountants
Southampton
United Kingdom

3 November 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Statement of Financial Position

As at 31 March 2023

(All amount in £, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Intangible assets	14	13,401	11,810
Property, plant and equipment	15	165,607,650	173,369,128
Right-of-use assets		-	36,548
Investments	16	15,245,563	2,113,307
Other long-term assets	17	9,734	12,140
Restricted cash	17	8,379,292	10,427,847
		189,255,640	**185,970,780**
Current assets			
Inventories	19	7,719,396	10,465,820
Trade and other receivables	18	31,914,606	8,607,935
Other short-term assets	17	13,637,196	26,182,923
Current tax assets (net)		1,147,062	1,250,086
Restricted cash	20(b)	6,786,497	2,392,104
Cash and cash equivalents	20(a)	3,319,148	7,691,392
Assets held for sale	7	-	13,497,027
		64,523,905	**70,087,287**
Total assets		**253,779,545**	**256,058,067**
Equity and liabilities			
Equity			
Share capital	21	58,909	58,909
Share premium		131,451,482	131,451,482
Other components of equity		(15,910,806)	(10,221,248)
Retained earnings		55,157,211	47,904,448
Equity attributable to owners of the Company		**170,756,796**	**169,193,591**
Non-controlling interests		875,541	872,663
Total equity		**171,632,337**	**170,066,254**
Liabilities			
Non-current liabilities			
Borrowings	23	7,098,242	9,759,610
Non-Convertible Debentures	23	-	20,126,738
Trade and other payables	24	306,402	630,358
Other liabilities		37,720	36,228
Deferred tax liabilities (net)	13	19,188,361	17,029,927
		26,630,725	**47,582,861**
Current liabilities			
Borrowings	23	25,498,900	13,399,429
Trade and other payables	24	29,514,723	24,440,324
Other liabilities		502,860	569,199
Liabilities classified as held for sale		-	-
		55,516,483	**38,408,952**
Total liabilities		**82,147,208**	**85,991,813**
Total equity and liabilities		**253,779,545**	**256,058,067**

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

The financial statements were authorised for issue by the board of directors on 3 November 2023 and were signed on its behalf by:

N Kumar
Non-Executive Chairman[1]

Ajit Pratap Singh
Chief Financial Officer[2]

[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 2023

(All amount in £, unless otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Revenue	8	58,683,036	80,067,032
Cost of revenue	9	(42,263,205)	(56,500,964)
Gross profit		**16,419,831**	**23,566,068**
Other Operating income	10(a)	1,455,039	-
Other income	10(b)	5,530,988	8,054,865
Distribution cost		(1,225,949)	(3,894,563)
General and administrative expenses		(6,040,826)	(6,316,484)
Depreciation and amortisation		(5,696,860)	(5,333,531)
Operating profit		**10,442,223**	**16,076,355**
Finance costs	11	(5,925,076)	(5,356,089)
Finance income	12	1,599,860	2,285,364
Share of net profit from associates		1,355,413	
Reversal of FV Impairment of associates made in 21-22		2,950,958	
Profit before tax		**10,423,378**	**13,005,630**
Tax expense	13	(3,163,596)	(4,097,184)
Profit for the year from continued operations		**7,259,782**	**8,908,446**
Gain/(Loss) from discontinued operations, including Non-Controlling Interest	7(a)	-	(2,928,341)
Profit for the year		**7,259,782**	**5,980,105**
Profit for the year attributable to:			
Owners of the Company		7,252,763	5,994,168
Non – controlling interests		7,019	(14,063)
		7,259,782	**5,980,105**
Earnings per share from continued operations			
Basic earnings per share (in pence)	26	1.80	2.23
Diluted earnings per share (in pence)		1.80	2.23
Earnings/(Loss) per share from discontinued operations			
Basic earnings/(loss) per share (in pence)	26	-	(0.73)
Diluted earnings/(loss) per share (in pence)		-	(0.73)
Earnings per share			
-Basic (in pence)	26	1.80	1.50
-Diluted (in pence)		1.80	1.50
Other comprehensive (loss) / income			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(5,689,558)	2,319,444
Items that will be not reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations, relating to non-controlling interests		(4,140)	4,857
Total other comprehensive (loss) / income		**(5,693,698)**	**2,324,301**
Total comprehensive income		**1,566,084**	**8,304,406**
Total comprehensive income / (loss) attributable to:			
Owners of the Company		1,563,205	8,313,612
Non-controlling interest		2,879	(9,206)
		1,566,084	**8,304,406**

The notes are an integral part of these consolidated financial statements

The financial statements were authorised for issue by the board of directors on 3 November 2023 and were signed on its behalf by:

N Kumar
Non-Executive Chairman[1]

Ajit Pratap Singh
Chief Financial Officer[2]

Consolidated statement of changes in equity

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

	Issued capital (No. of shares)	Ordinary shares	Share premium	Debenture Redemption reserve	Other reserves	Foreign currency translation reserve	Revaluation Reserve	Retained earnings	Total attributable to owners of parent	Non-controlling interests	Total equity
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 22)	-	-	-	-	194,778	-	-	-	194,778	-	194,778
Transaction with owners	-	-	-	-	194,778	-	-	-	194,778	-	194,778
Net Additions 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**
At 1 April 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**
Employee Share based payment LTIP (Note 22)	-	-	-	-	-	-		-	-	-	-
Transaction with owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Additions for the year	-	-	-	-	-	-	-	7,252,763	7,252,763	7,019	7,259,782
Other comprehensive income	-	-	-	-	-	(5,689,558)		-	(5,689,558)	(4,141)	(5,693,699)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(5,689,558)**	**-**	**7,252,763**	**1,563,205**	**2,878**	**1,566,083**
At 31 March 2023	**400,733,511**	**58,909**	**131,451,482**	**-**	**8,216,152**	**(24,126,958)**	**-**	**55,157,211**	**170,756,796**	**875,541**	**171,632,337**

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

The financial statements were authorised for issue by the board of directors on 3 November 2023 and were signed on its behalf by

N Kumar
Non-Executive Chairman

Ajit Pratap Singh
Chief Financial Officer

Consolidated statement of cash flows

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from operating activities			
Profit before income tax including discontinued operations and income from associates		**10,423,378**	**10,077,289**
Adjustments for:			
(Profit) / Loss from discontinued operations, net / Reversal of Impairment		(2,950,958)	2,928,341
(Profit) / Loss from associate companies		(1,355,413)	
Unrealised foreign exchange (gain)/loss	9(c)	(121,677)	184,880
Provisions created during the year		-	
Financial costs		5,925,076	5,171,209
Financial income		(1,599,860)	(2,285,364)
Share based compensation costs	21	-	194,778
Depreciation and amortisation		5,696,860	5,333,531
Impairment of Investment/PPE		-	-
Changes in working capital			
Trade and other receivables		(23,306,671)	6,294,982
Inventories		2,746,424	1,854,857
Other assets		(924,487)	(3,283,261)
Trade and other payables		4,750,443	(9,121,460)
Other liabilities		(64,847)	(969,676)
Cash generated from continuing operations		**(781,732)**	**16,380,106**
Taxes paid		(436,692)	(48,554)
Cash provided by operating activities of continuing operations		(1,218,424)	16,331,552
Cash used for operating activities of discontinued operations		-	-
Net cash provided by operating activities		**(1,218,424)**	**16,331,552**
Cash flows from investing activities			
Purchase of property, plant and equipment (including capital advances)		(1,112,976)	(3,534,707)
Proceeds from Disposal of property, plant and equipment		1,072	-
Interest received		1,218,405	2,285,364
Movement in restricted cash		(2,345,838)	(1,213,769)
Purchase of investments		(68,534,422)	(6,760,520)
Sale of Investments		81,471,026	-
Redemption of Investments		2,673,310	-
Cash from / (used in) investing activities of continuing operations		**13,370,577**	**(9,223,632)**
Cash from investing activities of discontinued operations		-	-
Net cash from / (used in) investing activities		**13,370,577**	**(9,223,632)**

Consolidated statement of cash flows

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from financing activities			
Proceeds from borrowings (net of costs)		6,842,271	-
Proceeds/(Investments) from equity		(91)	-
Repayment of borrowings		(17,530,906)	(3,909,695)
Dividend paid		-	-
Finance costs paid		(5,925,076)	(4,528,565)
Cash used in financing activities of continuing operations		(16,613,802)	(8,438,260)
Cash used in financing activities of discontinued operations		-	-
Net cash used in financing activities		**(16,613,802)**	**(8,438,260)**
Net (decrease) in cash and cash equivalents from continuing operations		(4,461,649)	(1,330,340)
Net (decrease) in cash and cash equivalents		**(4,461,649)**	**(1,330,340)**
Cash and cash equivalents at the beginning of the year		7,691,392	8,920,952
Cash and cash equivalents on deconsolidation		-	-
Exchange differences on cash and cash equivalents		89,405	100,780
Cash and cash equivalents of the discontinued operations		-	-
Cash and cash equivalents at the end of the year		**3,319,148**	**7,691,392**

Disclosure of Changes in financing liabilities :

Analysing of changes in Net debt	1 April 2022	Cash flows	Forex rate impact	31 March 2023
Working Capital loan	1,641,791	360,042	(50,002)	1,951,831
Secured loan due within one year	11,757,638	12,554,455	(815,388)	23,496,705
Borrowings grouped under Current liabilities	**13,399,429**	**12,914,497**	**(865,390)**	**25,448,536**
Secured loan due after one year	29,886,348	(23,197,596)	341,546	7,030,298
Borrowings grouped under Non-current liabilities	**29,886,348**	**(23,197,596)**	**341,546**	**7,030,298**

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**

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(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.

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 2022 and did not have a material impact on the consolidated financial statements:

- IFRS 1, 'First time adoption of IFRS' has been amended for a subsidiary that becomes a first-time adopter after its parent. The subsidiary may elect to measure cumulative translation differences for foreign operations using the amounts reported by the parent at the date of the parent's transition to IFRS.
- IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for derecognition of a financial liability. Fees paid to third parties are excluded from this calculation.
- IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives.

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-1 pandemic are lease modifications and instead, to account for those rent concessions as they were not in lease modifications. Initially, these amendments were to apply until June 30, 2021."

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

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 LASB 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, IFRS 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.

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

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 profits for the purpose of consolidation generated by the Solar entities Aavanti Solar Energy Private Limited, Mayfair Renewable Energy (I) Private Limited, Aavanti Renewable Energy Private Limited and Brics Renewable Energy Private Limited were considered in the books for finalizing the group level financials. These Assets could not be continued to be held for sale as the process of sale could not get completed within a reasonable time frame. The Effect of Impairment provided during the earlier years when these were categorised as Assets held for sale were reversed and the current years profits / loss together with earlier years carried forward reserves were recognised as Share of Profits to the extent of 31% share holding, from the Associate Entities.

Going Concern

As at 31 March 2023 the Group had £3.3m in cash and cumulative net current assets of £15.8 m. 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, 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 2023. The Group 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 for 24 months and this report has been approved. Based on the RST analysis on PLF Cost of Coal (Dollar per Ton) Common Tariff (INR per UNIT) and FX Rate (INR / USD), we can conclude that the Group is in strong position to go through the current situation and continuing as a going concern is not an issue.

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

The highly volatile Coal Prices during the year under review 22-23, primarily due to Russia-Ukraine war, had impact on the group businesses resulting in reduced level of operations with focus on profitability. This has resulted in lesser generation and export of power. Further the higher coal prices reduced the net margins as well. Though demand for electricity continued to increase during the year, the government power distribution companies could not adequately increase the tariff to their consumers consequent to which the group also could not adequately pass through the increase in coal prices to its captive consumers. The group received no materially significant public support measures such as tax relief or compensatory mechanisms except for pass through of coal prices from TANGEDCO under long term power purchase agreement.

As explained, the surge in global coal price during second half of the previous year 21-22 and continued increase in the first 8 months of FY 22-23 deterred import of coal, putting further pressure on demand for domestic (Indian) coal. The export embargo from Indonesia and the war between Russia and Ukraine 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, continued surge in power demand 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. To mitigate the risk of abnormal coal price increase in international markets, the Government of India decided to reduce dependency on imported coal and increased domestic production as well as initiated allotment of coal mines to private sector for commercial mining. The Government of India has kept an ambitious target to become net exporter of coal and to start export of coal by FY 2025-26. Over the later half of the year 22-23 and the recent downward trend in coal prices have raised hopes of the International prices getting stabilised at Precovid levels. The Group continues to take commercial and technical measures to reduce the impact of any adverse development including blending comparatively cheaper coal, modifications to boilers to facilitate different quality coal firing and continues to engage in meaningful 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 2023. 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.

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

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		% Economic interest	
			March 2023	March 2022	March 2023	March 2022
Caromia Holdings limited ('CHL')	OPGPV	Cyprus	100	100	100	100
Gita Power and Infrastructure Private Limited, ('GPIPL')	CHL	India	97.73	97.73	97.73	97.73
Saan Renewable Private Limited Private Limited	OPGPG	India	100		100	
Saman Renewable Private Limited	OPGPG	India	100		100	
Mark Renewables Private Limited	OPGPG	India	100		100	
Mark Solar Private Limited	OPGPG	India	100		100	
Saman Solar Private Limited	OPGPG	India	100		100	
OPG Power Generation Private Limited ('OPGPG')	GPIPL	India	81.42	75.38	99.92	99.90
Samriddhi Surya Vidyut Private Limited	OPGPG	India	100.00	100.00	100.00	100.00
Powergen Resources Pte Ltd	OPGPV	Singapore	95.00	95.00	95	95

ii) Investments in Joint ventures

Joint ventures	Venturer	Country of incorporation	% Voting Right		% Economic interest	
			March 2023	March 2022	March 2023	March 2022
Padma Shipping Limited ("PSL")	OPGPV / OPGPG	Hong Kong	50	50	50	50

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iii) Investments in Associates

Associates	Country of incorporation	% Voting Right		% Economic interest	
		March 2023	March 2022	March 2023	March 2022
Aavanti Solar Energy Private Limited	India	31	31	31	31
Mayfair Renewable Energy (I) Private Limited	India	31	31	31	31
Aavanti Renewable Energy Private Limited	India	31	31	31	31
Brics Renewable Energy Private Limited	India	31	31	31	31

e) 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.

INR exchange rates used to translate the INR financial information into the presentation currency of Great Britain Pound (£) are the closing rate as at 31 March 2023: 101.44 (2022: 99.37) and the average rate for the year ended 31 March 2023: 96.79 (2022: 101.62).

f) 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 shareholders and sales to other customers is recognised on the basis of billing cycle under the contractual arrangement with the captive power shareholders & 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.

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For STOA, revenue is earned at a point in time of joint meter reading by both buyer and seller for each billing month.

For IEX, revenue is earned on daily basis of supply based on the bid and allotted quantum which gets reconciled at a point in time of meter reading 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.

g) Operating expenses

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

h) 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 comprehensive income or equity, respectively.

i) 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)

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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 30""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.

j) 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'.

k) 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.

l) 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.

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m) 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.

n) 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;
- 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.

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o) 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.

p) 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.

q) 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.

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In case of reclassification, previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the investment's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the investment does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, had no impairment loss been recognised for the investments in prior years. Such reversal is recognised in the profit or loss. Once the Company ceases to classify a component as assets held for sale, the results of that component previously presented in discontinued operations will be reclassified and included in income from continuing operation for the period presented.

r) 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.

s) 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.

t) 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.

u) 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

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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.

v) 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.

w) 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.

Employees Benefit Trust

The Group has established an Employees Benefit Trust (hereinafter 'the EBT') for investments in the Company's shares for employee benefit schemes. IOMA Fiduciary in the Isle of Man have been appointed as Trustees of the EBT with full discretion invested in the Trustee, independent of the company, in the matter of share purchases. As at present, no investments have been made by the Trustee nor any funds advanced by the Company to the EBT. The Company is yet to formulate any employee benefit schemes or to make awards thereunder.

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x) 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.

y) 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 FY23 there is only one operating segment thermal power. 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

During the current year, the profits for the purpose of consolidation generated by the Solar entities Aavanti Solar Energy Private Limited, Mayfair Renewable Energy (I) Private Limited, Aavanti Renewable Energy Private Limited and Brics Renewable Energy Private Limited were considered in the books for finalizing the group level financials. The Assets could not be continued to be held for sale as the process of sale could not get completed within a reasonable time frame. Consequently, the effect of Impairment provided during the earlier years when these were categorised as Assets held for sale were reversed and the current years profits together with earlier years carried forward reserves were recognised as Share of Profits to the extent of 31% share holding, from the Associate Entities.

The decision to reversal of impairment was undertaken based on the impairment workings carried out for solar assets using the Discounted Cash Flow method (refer Note 15 & 16).

Recoverability of deferred tax assets

The recognition of deferred tax assets requires assessment of future taxable profit (see note 5(h)). Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income.

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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.

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.

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7 Profit from discontinued operations

Non-current assets held for sale and Profit from discontinued operations consists of:

		Assets Held for Sale		Liabilities classified as held for sale		Profit from discontinued operations	
		At 31 March 2023	At 31 March 2022	At 31 March 2023	At 31 March 2022	For FY 23	For FY 22
i	Interest in Solar entities Note 7(b)	-	13,497,027	-	-	-	-
ii	Share of Profit on fair value of investments, in Solar entities Note 7(b)	-	-	-	-	-	(2,928,341)
iii	Gain on deconsolidation of Solar entities	-	-	-	-	-	-
	Total	**-**	**13,497,027**	**-**	**-**	**-**	**(2,928,341)**

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

As explained above, during the current year, the profits for the purpose of consolidation generated by the Solar entities Aavanti Solar Energy Private Limited, Mayfair Renewable Energy (I) Private Limited, Aavanti Renewable Energy Private Limited and Brics Renewable Energy Private Limited were considered in the books for finalizing the group level financials. The Assets could not be continued to be held for sale as the process of sale could not get completed within a reasonable time frame. The Effect of Impairment provided during the earlier years when these were categorised as Assets held for sale were reversed and the current years profits together with earlier years carried forward reserves were recognised as Share of Profits to the extent of 31% share holding, from the Associate Entities.

The Solar Assets were tested for Impairment and the variables like PPA Tariff, PLF and other reasonable O & M costs were evaluated. Future Cash flows were determined under the DCF method. The PV of earnings were found to be higher than the carrying cost these assets and no impairment was found to be existent. The Solar Assets have been evaluated as Associate entities and the Previous Year's impairment of £2,950,958 has been reversed in the current year 22-23 and 31% share of Profits of £1,355,413 has been considered in the books of current year 22-23.

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

(a) Assets of disposal group classified as held-for-sale	As at 31st March 2023	As at 31st March 2022
Property, plant and equipment	-	-
Trade and other receivables	-	-
Other short-term assets	-	-
Restricted cash	-	-
Cash and cash equivalents	-	-
Investment in associates classified as held for sale	-	13,497,027
Total	**-**	**13,497,027**

(b) Analysis of the results of discontinued operations is as follows:	For FY 23	For FY 22
Revenue	-	-
Operating profit before impairments	-	-
Finance income	-	-
Finance cost	-	-
Current Tax	-	-
Deferred tax	-	-
Share of Profit/ (Loss) on fair value of investments, in Solar entities	-	(2,928,341)
Gain on deconsolidation of Solar entities	-	-
Profit / (Loss) from Solar operations	**-**	**(2,928,341)**

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(All amount in £, unless otherwise stated)

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 performance and allocates resources based on an analysis of various performance indicators at operating segment level. During FY23 there is only one operating segment thermal power. The solar power business has been considered as an Associate Entity which was earlier 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 customer exceeding 10% of total sales revenue amounts to £42,358,711 from TANGEDCO & £8,888,909 from IEX (2022: £11,465,934).

Segmental information disclosure

Segment Revenue	Continuing operations Thermal		Discontinued operations Solar	
	FY23	FY22	FY23	FY22
Sales	58,683,036	80,067,032	-	-
Total	**58,683,036**	**80,067,032**	**-**	**-**
Other Operating income	1,455,039	-	-	-
Depreciation, impairment	(5,696,860)	(5,333,531)	-	-
			-	-
Profit from operation	10,442,223	16,076,355	-	-
Finance Income	1,599,860	2,285,364	-	-
Finance Cost	(5,925,076)	(5,356,089)	-	-
Tax expenses	(3,163,596)	(4,097,184)	-	-
Reversal of FV Impairment of associates	2,950,958	-	-	-
Share of Profit, (Loss) on fair value of investments, in Solar entities	1,355,413	-	-	(2,928,341)
Profit / (loss) for the year	**7,259,782**	**8,908,446**	**-**	**(2,928,341)**
Assets	253,779,545	242,561,040	-	13,497,027
Liabilities	82,147,208	85,991,813	-	-

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

a) Cost of fuel

	31 March 2023	31 March 2022
Included in cost of revenue:		
Cost of fuel consumed	39,021,545	53,886,250
Depreciation	-	-
Other direct costs	3,241,660	2,614,714
Total	**42,263,205**	**56,500,964**

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

	31 March 2023	31 March 2022
Salaries and wages	2,651,267	2,247,996
Employee benefit costs	186,396	217,715
Long Tern Incentive Plan (Note 22)	-	194,779
Total	**2,837,663**	**2,660,490**

Auditor's remuneration for audit services amounting to £74,000 (2022: £59,000) is included in general and administrative expenses and excludes travel reimbursements.

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For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

9 Costs of inventories and employee benefit expenses included in the consolidated statements of comprehensive income (Contd.)

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

	31 March 2023	31 March 2022
Foreign exchange realised - loss / (gain)	1,278,303	214,048
Foreign exchange unrealised- loss / (gain)	(121,677)	184,880
Total	**1,156,626**	**398,928**

10 Other operating income and expenses

a) Other operating income

	31 March 2023	31 March 2022
Surcharge TANGEDCO	1,455,039	-
Contractual claims payments	-	-
Total	**1,455,039**	**-**

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 2023	31 March 2022
Provisions no longer required written back	-	-
Sale of coal	2,240,486	7,338,941
Sale of fly ash	117,399	77,586
Power trading commission and other services	-	169,183
Others*	3,173,104	469,155
Total	**5,530,988**	**8,054,865**

*Others include Insurance Claim of £2,211,883 received during the year

11 Finance costs

Finance costs are comprised of:

	31 March 2023	31 March 2022
Interest expenses on borrowings	4,242,700	4,277,158
Net foreign exchange loss (Note 9)	1,156,626	398,928
Other finance costs	525,750	680,003
Total	**5,925,076**	**5,356,089**

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 2023	31 March 2022
Interest income on bank deposits and advances	1,218,405	891,467
Profit on disposal of financial instruments*	381,455	1,393,897
Total	**1,599,860**	**2,285,364**

*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.

Notes to the Consolidated Financial Statements

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(All amount in £, unless otherwise stated)

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 2023 and 2022 is as follows:

	31 March 2023	31 March 2022
Accounting profit before taxes	10,423,378	13,005,630
Enacted tax rates	34.94%	34.94%
Tax expense / profit at enacted tax rate	3,642,345	4,544,687
Exempt Income due to tax holiday	-	-
Foreign tax rate differential	(135,973)	(13,847)
Unused tax losses brought forward and carried forward	-	-
Non deductible / (Non-taxable) items	198,000	(916,046)
MAT credit	(540,777)	482,390
Others	-	-
Actual tax for the period	**3,163,596**	**4,097,184**

	31 March 2023	31 March 2022
Current tax	(539,716)	334,646
Deferred tax	(2,623,880)	3,762,538
Total tax expenses on income from continued operations	(3,163,596)	4,097,184
Tax reported in the statement of comprehensive income	**(3,163,596)**	**4,097,184**

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 2022: 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 2023 and 2022 relates to the following:

	31 March 2023	31 March 2022
Deferred income tax assets		
Unused tax losses brought forward and carried forward	-	-
MAT credit entitlement	11,741,110	11,985,655
	11,741,110	**11,985,655**
Deferred income tax liabilities		
Property, plant and equipment	30,929,471	29,015,582
Mark to market on available-for-sale financial assets	**-**	**-**
	30,929,471	**29,015,582**
Deferred income tax liabilities, net	**19,188,361**	**17,029,927**

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

13 Tax expenses (Contd.)

Movement in temporary differences during the year

Particulars	As at 01 April 2022	Deferred tax asset / (liability) for the year	Classified as (Asset) / Liability held for sale	Translation adjustment	As at 31 Mar 2023
Property, plant and equipment	(29,015,582)	(2,505,899)	-	592,011	(30,929,471)
Unused tax losses brought forward and carried forward	-	-	-	-	-
MAT credit entitlement	11,985,655	-	-	(244,545)	11,741,110
Mark to market gain / (loss) on financial assets measured at FVPL	-	-	-	-	-
Deferred income tax (liabilities) / assets, net	**(17,029,927)**	**(2,505,899)**	**-**	**347,466**	**(19,188,361)**

Particulars	As at 01 April 2021	Deferred tax asset / (liability) for the year	Classified as (Asset) / Liability held for sale	Translation adjustment	As at 31 Mar 2022
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
Mark to market gain / (loss) on financial assets measured at FVPL	-	-	-	-	-
Deferred income tax (liabilities) / assets, net	**(12,994,371)**	**(3,762,538)**	**-**	**(273,018)**	**(17,029,927)**

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 2023 and 2022, 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.

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

14 Intangible assets

Intangible assets	Acquired software licences
Cost	
At 31 March 2021	**763,595**
Additions	11,875
Exchange adjustments	11,032
At 31 March 2022	**786,502**
At 31 March 2022	**786,502**
Additions	5,174
Exchange adjustments	(14,577)
At 31 March 2023	**777,099**
Accumulated depreciation and impairment	
At 31 March 2021	**761,201**
Charge for the year	2,438
Exchange adjustments	11,054
At 31 March 2022	**774,692**
At 31 March 2022	**774,692**
Charge for the year	3,255
Exchange adjustments	(14,250)
At 31 March 2023	**763,697**
Net book value	
At 31 March 2023	**13,401**
At 31 March 2022	**11,810**

15 Property, plant and equipment

The property, plant and equipment comprises of:

	Land & Buildings	Power stations	Other plant & equipment	Vehicles	Right-of-use	Asset under construction	Total
Cost							
At 1st April 2021	**8,388,982**	**200,460,226**	**1,766,719**	**748,624**	**–**	**122,717**	**211,487,268**
Additions		267,007	25,229	23,745	43,843	3,265,722	3,639,464
Transfers on capitalisation	–	1,584,477	38,134	0	–	(1,622,611)	–
Sale / Disposals	–	–	–	(52,794)	–	0	(52,794)
Exchange adjustments	119,437	2,905,807	25,366	10,731	–	1,391	3,062,732
At 31 March 2022	**8,522,338**	**205,217,517**	**1,855,448**	**730,306**	**43,843**	**1,767,219**	**218,136,670**
At 1st April 2022	**8,522,338**	**205,217,517**	**1,855,448**	**730,306**	**43,843**	**1,767,219**	**218,136,670**
Additions		385,220	14,028	–	–	676,736	1,107,802
Transfers on capitalisation	–	1,148,303				(1,148,303)	–
Sale / Disposals	–	(42,436)	–	(60,645)	–	–	(103,081)
Exchange adjustments	(157,956)	(3,803,566)	(34,389)	(13,536)	(813)	(32,754)	(4,043,014)
At 31 March 2023	**8,396,200**	**202,905,038**	**1,835,087**	**656,125**	**43,030**	**1,262,898**	**215,098,377**
Accumulated depreciation and impairment							
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	257,196	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**	**586,541**	**7,295**	**–**	**44,730,993**

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

15 Property, plant and equipment (Contd.)

The property, plant and equipment comprises of:

	Land & Buildings	Power stations	Other plant & equipment	Vehicles	Right-of-use	Asset under construction	Total
At 1 April 2022	**73,553**	**42,722,787**	**1,340,816**	**586,541**	**7,295**	**–**	**44,730,993**
Charge for the year	13,813	5,361,890	281,236	36,666	0	–	5,693,605
Sale / Disposals	0	(15,949)	0	(60,645)	(7,157)	–	(83,751)
Exchange adjustment	(1,393)	(812,100)	(25,385)	(11,104)	(138)	–	(850,120)
At 31 March 2023	**85,973**	**47,256,628**	**1,596,667**	**551,458**	**–**	**–**	**49,490,728**
Net book value							155,991,497
At 31 March 2023	**8,310,226**	**155,648,411**	**238,420**	**104,666**	**43,030**	**1,262,898**	**165,607,650**
At 31 March 2022	**8,448,784**	**162,494,730**	**514,632**	**143,765**	**36,548**	**1,767,219**	**173,405,677**

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

	31 March 2023	31 March 2022
Freehold land	7,904,853	7,904,853
Buildings	405,372	419,119
	8,310,225	**8,448,784**

Property, plant and equipment with a carrying amount of £ 164,159,294 (2022 £167,962,534) is subject to security restrictions (refer note 22).

a) The Group considered both qualitative and quantitative factors when determining whether an Asset or CGU may be impaired. Assets related to each segment (Thermal & Solar) and the cash inflows generated by each are separately identifiable and independent of other assets or groups of assets. No impairment loss was recognized for the consulting segment during the year 22-23.

The recoverable amount of segment was determined based on value-in-use calculations, covering a detailed 18 year period forecast for Thermal Assets and 20 Year period for the Solar Assets using DCF methodology by the Management. The present value of the expected cash flows of each segment is determined by applying a suitable discount rate reflecting current market assessments of the time value of money and risks specific to the segment.

The Present Value of Cash Flows thus determined were compared with the Carrying Cost of PPE and it was found that the PV Values were on the Higher side of the Carrying cost of Property Plant and Equipment.

Year ended 31 March 2023	Thermal £ Mn	Solar £ Mn
Present Value of Cash Flows	309.1	56.4
Carrying Cost of PPE	169.5	35.1

Appropriate sensitivities to understand impact on key estimates and under all scenarios were tested and no impairment was triggered. Group has also considered the impact of climate change and global energy transition. Coal fired power generation will remain key to the energy mix for India over the life of the Power Station. With the above calculations, it was concluded that there is no impairment in Thermal and Solar Assets. The Impairment provided for in earlier years for Solar Assets was accordingly reversed amounting to £2.9 Million.

Management’s key assumptions included:

Cash flow projections reflect stable Profit Margins and Cash Flows on both Thermal & Solar Assets. No expected efficiency improvements have been taken into account and expenses were considered based on forecasts of inflation and our current actual expenses and the Revenue forecasts were based on the Rates at which the PPA with Utility companies were entered or are prevalent in the market.

Current exchange rate of 1USD to INR 84.24 has been considered and is depreciated by 2 % Year on Year over the forecast period. The exchange rate is estimated to be consistent with the average market forward exchange rate over the budget period.

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

15 Property, plant and equipment (Contd.)

The discount rate was derived based on weighted average cost of capital (WACC) for comparable entities in the industry, based on market data. The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of each segment. Further, management considered the maturity and stability of the both the segments when determining the appropriate adjustments to this rate.

b) Cash flow projections

Cash flow projections are based on the Management's approved estimates, followed by an extrapolation of expected cash flows for the remaining useful lives using the various variables as outlined below

Thermal

Parameters	Values
Deemed Plant Load Factors (%)	65 to 73
Realisable Tariff (Pence)	4.9 to 7.7
Price of Coal (USD/Ton)	60 to 50
WACC (%)	13.58
Cost of Debt (%)	10.5

Solar

Parameters	Values
Plant Load Factors (%)	21%
Applicable Tariff (Pence)	5.1
Annual Degradation of Solar Modules (%)	0.50%
WACC (%)	8.2 to 9.1
Cost of Debt (%)	8.9

c) From the results of the Reverse Stress Test as under, it may be observed that Significant Issues would be required to Impact the Cash flows of the entity, only in extreme cases in the Year 24 where PLF drops from 68 % to 16 % and Cost of Coal Increases from $ 61 to $ 143 and Tariff per Unit Drops from INR 7.5 to INR 4.7 and Forex Rate of INR to $ increases from 84 to 199 and no consequential impact in the ability of generating Revenue and Profits were found.

Variables	Base Case		Reverse Stress Test	
	FY 24	FY 25	FY 24	FY 25
PLF %	68	68	16	16
Cost of Coal	61	59	143	150
Tariff (INR/Unit)	7.5	7.7	4.7	4.8
F/X Rate (INR/$)	84	86	199	202

16 Investments accounted for using the equity method

The carrying amount of investments accounted for using the equity method is as follows:

	31 March 2023	31 March 2022
Investments in joint venture	-	-
Impairment provision for investments in joint venture (Note 7(a))	-	-
Investments in Associates	16,159,133	-
Balance value of Investments in Associates classified as Assets held for sale	-	13,497,027
Investments accounted for using the equity method	**16,159,133**	**13,497,027**

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

16 Investments accounted for using the equity method (Contd.)

a) Investment in associates (Note 5(d) 7(b))

Summarised aggregated financial information of the Group's share in the associates.

	31 March 2023	31 March 2022
Profit from continuing operations	1,355,413	-
Other comprehensive income	-	-
Total comprehensive Income	**1,355,413**	**-**

Future Cash flows were determined under the DCF method for the PPA period. The Present Value of cash flows were found to be higher than the carrying cost of these assets and no impairment was found to be existent. The details of impairment analysis are provided in Note 15 above. The Solar Assets have been evaluated as Associate entities and the Previous Year's impairment of £2,950,958 has been reversed in the current year 22-23 and 31% share of Profits of £1,355,413 has been considered in the books of current year 22-23.

Aggregate carrying amount of the Group's interests in these associates & other entities

	31 March 2023	31 March 2022
Associates & Other Entities	15,245,563	2,113,307
Total carrying Amount	**15,245,563**	**2,113,307**

17 Other Assets

	31 March 2023	31 March 2022
A. Short-term		
Capital advances	-	-
Financial instruments measured at fair value through P&L	4,792,732	18,265,352
Advances and other receivables	8,844,464	7,917,571
Total	**13,637,196**	**26,182,923**
B. Long-term		
Advances to related parties	-	-
Classified as asset held for sale (note 7(a))	-	-
Lease deposits	-	-
Bank deposits	9,734	12,140
Other advances	-	-
Restricted Cash	8,379,292	10,427,847
Total	**8,389,026**	**10,439,987**

The financial instruments of £ 4,792,732 (FY22: £18,265,352) represent investments in mutual funds and Bonds- their fair value is determined by reference to published data.

18 Trade and other receivables

	31 March 2023	31 March 2022
Current		
Trade receivables	31,914,606	8,607,935
Other receivables	-	-
Total	**31,914,606**	**8,607,935**

The Group's trade receivables are classified at amortised cost unless stated otherwise and are measured after allowances for future expected credit losses, see "Credit risk analysis" in note 30 "Financial risk management objectives and policies" for more information on credit risk. The carrying amounts of trade and other receivables, which are measured at amortised cost, approximate their fair value and are predominantly non-interest bearing.

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19 Inventories

	31 March 2023	31 March 2022
Coal and fuel	6,706,467	9,499,510
Stores and spares	1,012,929	966,310
Total	**7,719,396**	**10,465,820**

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

20 Cash and cash equivalents and Restricted cash

a Cash and short term deposits comprise of the following:

	31 March 2023	31 March 2022
Investment in Mutual funds	-	5,193,275
Cash at banks and on hand	3,319,148	2,498,117
Short-term deposits		-
Total	**3,319,148**	**7,691,392**

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 and mutual funds with the maturity up to twelve months amounting to £6,786,497 (2022 - £2,392,104) which have been lien marked by the Group in order to establish Letters of Credits, Bank Guarantees from the bankers and debenture redemption fund.

21 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 2023, the Company has an authorised and issued share capital of 400,733,511 (2022: 400,733,511) equity shares at par value of £ 0.000147 (2022: £ 0.000147) per share amounting to £58,909 (2022: £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.

Notes to the Consolidated Financial Statements

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22 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.

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. No changes/revisions were made to LTIP during the FY23 and no shares were issued during FY 23. The Carry forward shares under LTIP reserves will be issued in the year 23-24. The shares have not been issued because that was the time of COVID lock downs and related disruptions including Administrative and Logistics issues, thus delaying the process of allocation of shares to the Executives over the three year period from 2020.

	LTIP as at		Movements during the period	Expired/		LTIP Outstanding	Latest vesting
	LTIP granted	1-Apr-22	Granted	Cancelled	Exercised	31-Mar-23	date
Arvind Gupta	24-Apr-19	1,185,185	Nil	0	Nil	1,185,185	24-Apr-20
Dmitri Tsvetkov	24-Apr-19	568,889	Nil	0	Nil	568,889	24-Apr-20
Avantika Gupta	24-Apr-19	284,445	Nil	0	Nil	284,445	24-Apr-20

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23 Borrowings

The borrowings comprise of the following:

	Interest rate (range %)	Final maturity	31 March 2023	31 March 2022
Borrowings at amortised cost	9.9-10.85[1]	June 2024	10,416,543	23,159,039
Non-Convertible Debentures at amortised cost	9.85-12.75	June 2023	22,180,599	20,126,738
Total			**32,597,142**	**43,285,777**

[1]Interest rate range for Project term loans and Working Capital

The term loans, working capital loans and non-convertible debentures 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.

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 2023, the Group has met all the relevant covenants.

The fair value of borrowings at 31 March 2023 was £3,25,97,142 (2022: £43,285,777). 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 2023	31 March 2022
Current liabilities		
Amounts falling due within one year	25,498,900	13,399,429
Non-current liabilities		
Amounts falling due after 1 year but not more than 5 years	7,098,242	29,886,348
Total	**32,597,142**	**43,285,777**

24 Trade and other payables

	31 March 2023	31 March 2022
Current		
Trade payables	29,251,178	24,402,850
Creditors for capital goods	263,545	37,474
Bank Overdraft	-	-
Other payables	-	-
Total	**29,514,723**	**24,440,324**
Non-current		
Other payables	306,402	630,358
Total	**306,402**	**630,358**

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.

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

25 Related party transactions

Key Management Personnel:

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

Related parties with whom the group had transactions during the period

Name of the party	Nature of relationship
Powergen Resources PTE Ltd	Subsidiary
Aavanti Solar Energy Private Limited	Associates
Mayfair Renewable Energy (I) Private Limited	Associates
Aavanti Renewable Energy Private Limited	Associates
Brics Renewable Energy Private Limited	Associates

Summary of transactions with related parties

Name of the party	31 March 2023	31 March 2022
Remuneration to Samriddhi Bubna	61,990	24,601
Sale of solar modules :		
a) Aavanti Solar Energy Private Limited	-	188,741
b) Mayfair Renewable Energy (I) Private Limited	-	75,664

Summary of balance with related parties

Name of the party	Nature of balance	31 March 2023	31 March 2022
Padma Shipping Limited	Investment	-	3,448,882
Padma Shipping Limited	Advances	-	1,727,418
Padma Shipping Limited	Impairment provision	-	(5,176,300)
Aavanti Solar Energy Private Limited	Investment	4,875,473	4,863,575
Aavanti Solar Energy Private Limited	Trade payable	-	-
Aavanti Solar Energy Private Limited	Advance	871,983	538,038
Mayfair Renewable Energy (I) Private Limited	Investment	5,295,192	5,277,364
Mayfair Renewable Energy (I) Private Limited	Trade payable	-	(52,035)
Mayfair Renewable Energy (I) Private Limited	Advance	101,273	-
Aavanti Renewable Energy Private Limited	Investment	4,270,391	5,804,055
Aavanti Renewable Energy Private Limited	Trade payable	-	-
Aavanti Renewable Energy Private Limited	Advance	115,979	298,745
Brics Renewable Energy Private Limited	Investment	362,664	362,664
Brics Renewable Energy Private Limited	Advance	2,447	-

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. 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.

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

26 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 2023 or 2022).

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 2023	31 March 2022
Weighted average number of shares used in basic earnings per share	402,924,030	402,924,030
Shares deemed to be issued for no consideration in respect of share based payments	-	-
Weighted average number of shares used in diluted earnings per share	**402,924,030**	**402,924,030**

27 Directors remuneration

Name of directors	31 March 2023	31 March 2022
Ajit Pratap Singh	186,620	-
Avantika Gupta	229,861	59,043
Dmitri Tsvetkov	25,000	150,000
Jeremy Warner Allen	42,920	25,000
N Kumar	45,000	22,500
Mike Grasby (from February 2021)	45,000	22,500
Total	**574,401**	**279,043**

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.

28 Business combination within the group without loss of control

As per the original structure of the group, two Cypriot subsidiaries of OPGPV, namely Gita Energy Private Limited ('GEPL') and Gita Holdings Private Limited ('GHPL'), held the investments in the equity of the Group's Special Purpose Vehicles (SPV) in India. During the year ended 31 March 2013, the management decided to interpose an Indian holding Company, GPIPL in the structure and warehouse the SPV investments in GPIPL. Accordingly, the shareholders of GEPL, GHPL and GPIPL had entered into a scheme of arrangement to effect the above restructuring of the group. As part of the regulatory requirements in India, the group had applied and obtained approval from the High court of Madras on 28 October 2011 subject to fulfilment of certain conditions including approval of relevant regulatory authorities, allotment of shares etc. The scheme had been consummated with effect from 25 January 2013 upon issue of shares to the shareholders of GEPL and GHPL, namely CHL and the assets and liabilities of GEPL and GHPL have been taken over by GPIPL. Consequent to the scheme of arrangement, the group also has gained 100% economic interest over GPIPL by virtue of an agreement entered into with the minority shareholders of GPIPL dated 01 April 2012.

The above arrangement has been considered as a business combination involving companies under the group since then and has been accounted at the date that common control was established using pooling of interest method. The assets and liabilities transferred 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. There was no excess consideration paid in this transaction.

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For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

29 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 2023	31 March 2022
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 NIL (2022: 36548).

Contingent liabilities

Disputed income tax demands £341,841(2022:£3,715,194).

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 2023: £27,109,682(2022: £12,233,195) and Bank Guarantee (BG) as at 31 March 2023: £5,481,828(2022: £4,039,969). 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 £ 20,228,371 (2022: £21,760,986). 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.

30 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 2023 and 31 March 2022

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

30 Financial risk management objectives and policies (Contd.)

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 2023, 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 2023 and 31 March 2022, 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 2023 would decrease or increase by £944,115 (2022: £432,858).

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 2023		As at 31 March 2022	
Currency	**Financial assets**	**Financial liabilities**	**Financial assets**	**Financial liabilities**
United States Dollar (USD)	-	33,651,568	133,577	16,067,891

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 2023		As at 31 March 2022	
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)	81.72	2,710,968	75.66	1,223,320

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 £11,922,073 (2022: £33,269,104) and corporate guarantees issued to lenders of its associates solar entities of £20,228,371 (2022: £21,760,986).

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For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

30 Financial risk management objectives and policies (Contd.)

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 2023	Within Credit period	Days past due			
		More than 30 days	More than 60 days	More than 180 days	Total
Expected general loss allowance rate	0%	0%	0%	117.55%	
Gross carrying amount - Trade Receivables -TANGEDCO	14,536,783	2,305,759	134,789	5,337,057	22,314,388
Gross carrying amount - Trade Receivables -Others	12,289,965	2,572,888	1,567,981	3,174,717	19,605,551
General loss allowance	-	-	-	10,005,333	10,005,333
Total Loss allowance	**-**	**-**	**-**	**10,005,333**	**10,005,333**

31 March 2022	Within Credit period	Days past due			
		More than 30 days	More than 60 days	More than 180 days	Total
Expected loss rate	0%	0%	0%	82.00%	
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
Specific loss allowance	-	-	-	-	-
Total Loss allowance	**-**	**-**	**-**	**10,385,677**	**10,385,677**

Notes to the Consolidated Financial Statements

For the Year ended 31 March 2023 (All amount in £, unless otherwise stated)

30 Financial risk management objectives and policies (Contd.)

The closing loss allowances for trade receivables as at 31 March 2023 reconciles to the opening loss allowances as follows:

Particulars	31 March 2023	31 March 2022
Opening loss allowance as at 1 April	10,385,677	21,133,088
(Reversal) in loss allowance	(380,344)	(10,747,411)
Total	**10,005,333**	**10,385,677**

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 2023 and 31 March 2022.

As at 31 March 2023	Current Within 12 months	Non-Current		Total
		1-5 years	Later than 5 years	
Borrowings	3,318,301	7,098,242	-	10,416,543
Non-Convertible Debentures	22,180,599	-	-	22,180,599
Trade and other payables	29,514,723	306,402	-	29,821,125
Provision for pledged deposits	-	-	-	-
Other liabilities	37,720	-	-	37,720
Other current liabilities	502,860	-	-	502,860
Total	**55,554,203**	**7,404,644**	**-**	**62,958,847**

As at 31 March 2022	Current Within 12 Months	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
Other current liabilities	**38,408,952**	**30,552,934**	**-**	**68,961,886**

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

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For the Year ended 31 March 2023

(All amount in £, unless otherwise stated)

30 Financial risk management objectives and policies (Contd.)

- ensure Group's ability to meet both its long-term and short-term capital needs as a going concern and
- 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 2023.

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:

Particulars	31 March 2023	31 March 2022
Total equity	171,632,337	170,066,254
Less: Cash and cash equivalents	(3,319,148)	(7,691,392)
Capital	**168,313,189**	**162,374,862**
Total equity	171,632,337	170,066,254
Add: Borrowings	32,597,142	43,285,777
Overall financing	**204,229,479**	**213,352,031**
Capital to overall financing ratio	**0.82**	**0.76**

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

	Carrying amount		Fair value	
	March 2023	March 2022	March 2023	March 2022
Financial assets measured at amortised cost				
• Cash and cash equivalents[1]	3,319,148	7,691,392	3,319,148	7,691,392
• Restricted cash[1]	15,165,789	12,819,951	15,165,789	12,819,951
• Current trade receivables[1]	31,914,606	8,607,935	31,914,606	8,607,935
• Other long-term assets	9,734	12,140	9,734	12,140
• Other short-term assets	8,844,464	2,724,296	8,844,464	2,724,296
Financial instruments measured at fair value through profit or loss				
• Other short term assets - (Note 17)	4,792,732	23,458,627	4,792,732	23,458,627
	64,046,473	**55,314,341**	**64,046,473**	**55,314,341**
Financial liabilities measured at amortised cost				
Term loans[2]	10,416,543	23,159,039	10,416,543	23,159,039
LC Bill discounting & buyers' credit facility[1]	-	-	-	-
Non-Convertible Debentures[2]	22,180,599	20,126,738	22,180,599	20,126,738
Current trade and other payables[1]	29,514,723	24,440,324	29,514,723	24,440,324
Provision for pledged deposits	37,720	36,228	37,720	36,228
Non-current trade and other payables[2]	306,402	630,358	306,402	630,358
	62,455,987	**68,392,687**	**62,455,987**	**68,392,687**

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(All amount in £, unless otherwise stated)

31 Summary of financial assets and liabilities by category and their fair values (Contd.)

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. a 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				
2023				
Quoted securities	4,792,732	-	-	4,792,732
Total	**4,792,732**	**-**	**-**	**4,792,732**
2022				
Quoted securities	23,458,627	-	-	23,458,627
Total	**23,458,627**	**-**	**-**	**23,458,627**

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.

The fair value of contingent consideration related to the level 3 investments is estimated using a present value technique. The Nil (2022: Nil) fair value is estimated by discounting the estimated future cash outflows, adjusting for risk at 17%.

Approved by the Board of Directors on 3 November 2023 and signed on its behalf by:

N Kumar
Non-Executive Chairman

Ajit Pratap Singh
Chief Financial Officer

Corporate Directory

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SO14 3TL

Registrars
Link Market Services (Isle of Man) Limited
Clinch's House
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Isle of Man
IM99 1R

Definitions & Glossary

Act: Isle of Man Companies Act 2006

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.

AGM: Annual General Meeting

AIM: Alternative Investment Market of the London Stock Exchange

APC: Auxiliary Power Consumption

BG: Bank Guarantee

Board: Board of Directors of OPG Power Ventures Plc

bps: Basis points

BRICS: Brazil, Russia, India, China and South Africa

CAD: Current Account Deficit

CAGR: Compound Average Growth Rate

Captive power users: Captive shareholders of OPG Power Generation Private Limited

CCR: Coal Combustion Residue CEA: Central Electricity Authority CFO: Chief Financial Officer

CO: Carbon Monoxide

COO: Chief Operating Officer

Company or OPG or OPGPV or parent: OPG Power Ventures Plc

CY: Calendar Year

DDUGJY: Deen Dayal Upadhyay Gram Jyoti Yojana scheme

Discom: Distribution Company (of the State Electricity Utility)

EHS: Environment, Health and Safety

Electricity Act: Indian Electricity Act 2003 as amended

EPS: Earnings per share

ESOP: Employee Stock Options Plan FRC: Financial Reporting Council FTSE: Financial Times Stock Exchange ExCo: Executive Committee

FDI: Foreign Direct Investment

FVPL: Fair Value through Profit or Loss

FY: Financial year from 1 April to 31 March

GCPP: Group Captive Power Plant GDP: Gross Domestic Product GHG: Green House Gas

Government or GOI: Government of India

GP: Gross Profit

Great Britain Pound Sterling or £/pence: Pounds sterling or pence, the lawful currency of the UK

GRI: Global Reporting Initiative

Group Captive: Group Captive power plant as defined under Electricity Act 2003, India

Group or OPG: the Company and its subsidiaries

GSDP: Gross State Domestic Product

GW: Gigawatt is 1,000 megawatts

HIRA: Hazard Identification and Risk Assessment

HSE: Health, Safety and Environment IAS: International Accounting Standards IEA: International Energy Agency

IFRS: International Financial Reporting Standards as issued by the International Accounting Standards Board

Indian Companies Act: the Companies Act, 1956 and amendments thereto

INR or ₹: Indian Rupee, the lawful currency of the Republic of India

IPDS: Integrated Power Development Scheme

ISAs (UK): International Standards on Auditing (UK)

JV: Joint Venture

kWh: Kilowatt hour is one unit of electricity

LC: Letter of Credits

LOI: Letter of Intent

LSE: London Stock Exchange plc LTIP: Long Term Incentive Plan LTOA: Long Term Open Access LTVT: Long Term Variable Tariff

MAR: Market Abuse Regime regulation

MAT: Minimum Alternative Tax

MoU: Memorandum of Understanding MSME: Micro, Small and Medium Enterprises mt: Million tonnes

MW: Megawatt is 1,000 kilowatts

Definitions & Glossary

MWh: Megawatt hour

NCDs: Non-convertible debentures

Net Debt / Net Borrowings: Total borrowings minus cash & current & non-current investments in mutual funds

NITI Aayog: National Institution for Transforming India

Nox: Nitrogen Oxides

O&M: Operating and Management

PAT: Profit After Tax PBT: Profit Before Tax PLF: Plant Load Factor

PPA: Power Purchase Agreement PSA: Power Supply Agreement PTW: "Permit- To-Work" system QCA: Quoted Companies Alliance RES: Renewable Energy Source RBI: Reserve Bank of India

ROE: Return on Equity

RST: Reverse Stress Test

Rupees/INR or ₹: Indian Rupee, the lawful currency of India

SASB: Sustainability Accounting Standards Board

SAUBHAGYA: The Pradhan Mantri Sahaj Bijli Har Ghar Yojana scheme

SEB: State Electricity Board

SEBI: Securities and Exchange Board of India

Sox: Sulphur Oxides

SPM: Suspended Particulate Matter SPV: Special Purpose Vehicle State: State of India

STP: Sewage Treatment Plant

TANGEDCO: Tamil Nadu Generation and Distribution Corporation Limited

The Code: Quoted Companies Alliance's code of corporate governance

TRIR: Total Recordable Incident Rate

UDAY: Ujwal DISCOM Assurance Yojana, the financial turnaround and revival package for DISCOMs initiated by the Government of India

UN SDGs: the United Nations Sustainable Development Goals

UK/United Kingdom: United Kingdom of Great Britain and Northern Ireland

US$/USD or $: US Dollars, the lawful currency of the US

UT or UTs: Union Territory or Union Territories of India

WPI: Wholesale Price Index

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