OPG Power Ventures Plc

FY2022 Annual Report & Accounts

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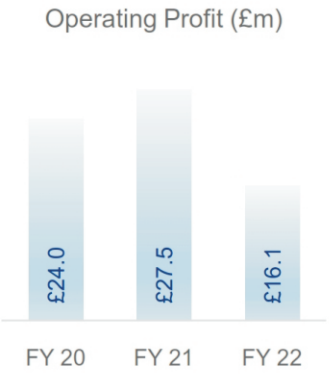
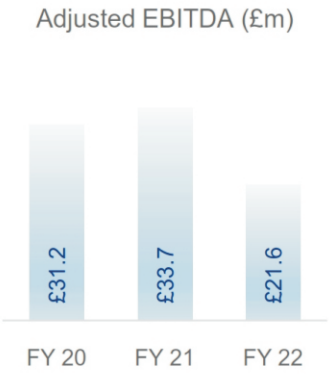
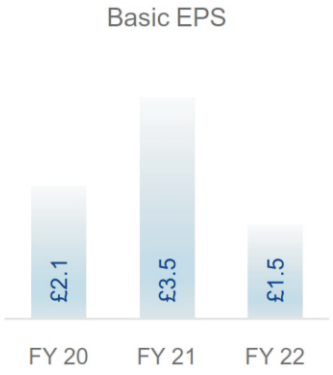
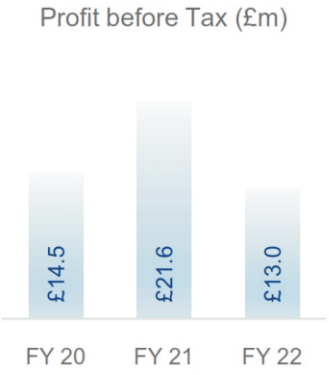
Highlights

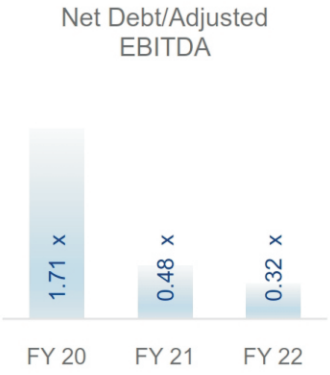

Revenues (£m)
£154.0
£93.8
£80.1
FY 20
FY 21
FY 22

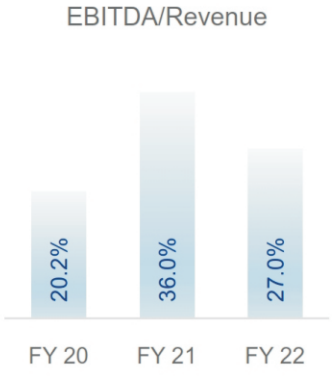

Operating Profit (£m)
£24.0
£27.5
£16.1
FY 20
FY 21
FY 22

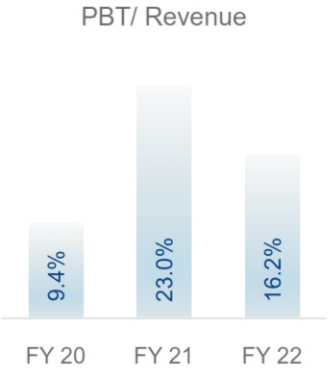

Adjusted EBITDA (£m)
£31.2
£33.7
£21.6
FY 20
FY 21
FY 22


Basic EPS
£2.1
£3.5
£1.5
FY 20
FY 21
FY 22

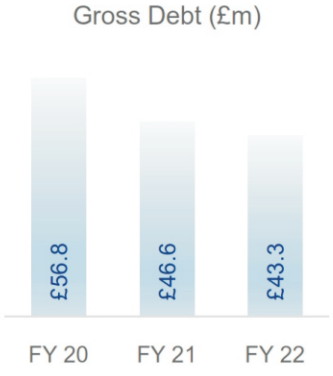

Profit before Tax (£m)
£14.5
£21.6
£13.0
FY 20
FY 21
FY 22

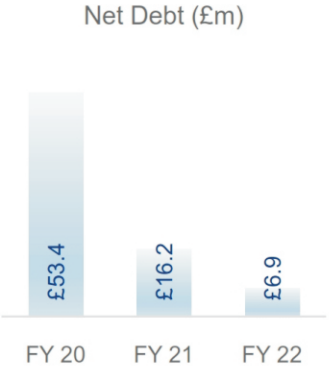

Net Debt/Adjusted EBITDA
1.71 x
0.48 x
0.32 x
FY 20
FY 21
FY 22

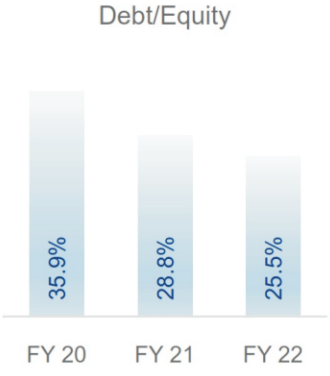

EBITDA/Revenue
20.2%
36.0%
27.0%
FY 20
FY 21
FY 22


PBT/ Revenue
9.4%
23.0%
16.2%
FY 20
FY 21
FY 22


Gearing
25.2%
9.1%
3.9%
FY 20
FY 21
FY 22


Gross Debt (£m)
£56.8
£46.6
£43.3
FY 20
FY 21
FY 22


Net Debt (£m)
£53.4
£16.2
£6.9
FY 20
FY 21
FY 22


Debt/Equity
35.9%
28.8%
25.5%
FY 20
FY 21
FY 22

Highlights

Revenue	
Unit	**£ m**
FY20	£154.0
FY21	£93.8
FY22	£80.1

Operating Profit	
Unit	**£ m**
FY20	£24.0
FY21	£27.5
FY22	£16.1

Adjusted EBITDA	
Unit	**£ m**
FY20	£31.2
FY21	£33.7
FY22	£21.6

Basic EPS	
Unit	**Pence**
FY20	2.1
FY21	3.5
FY22	1.5

Profit before Tax	
Unit	**£ m**
FY20	£14.5
FY21	£21.6
FY22	£13.0

Net Debt to Adjusted EBITDA	
Ratio	**x**
FY20	1.7 x
FY21	0.5 x
FY22	0.3 x

- Revenue decreased by 14.66 per cent to £80.1 million in FY 22 from £93.8 million in FY21 because of Covid-19 and increased coal prices in second half of FY22.
- Total generation (including deemed) in FY22 was nearly 1.9 billion kWh, 11.0 per cent lower than last year's generation of nearly 2.1 billion kWh.
- Adjusted EBITDA[1] of £21.6 million (27.0 per cent margin) as compared with £33.7 million (36.0 per cent margin) in FY21.
- Profit before tax from continued operations was £13.0 million (16.2 per cent) as compared to £21.6 million (23.0 per cent) in FY21.
- Basic earnings per share 1.5 pence in FY22 as compared to 3.5 pence in FY21.
- Net Debt[2] reduced from £16.24 million in FY21 to £6.9 million in FY22.
- Net Debt to Adjusted EBITDA ratio further improved from 0.5x to 0.3x.

[1]See definition of Adjusted EBITDA on page 6
[2]See definition of Net Debt on page 8

Chairman's Statement

Resilience, robust profitability and strong cash generation

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

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

The plants' generation, including deemed generation, during FY22 was 1.9 billion units which is an 11.0 per cent reduction in generation in comparison with FY21 primarily due to the increase in coal prices. The average Plant Load Factor ("PLF") in FY22 (including deemed) was at 52 per cent (FY21: 58 per cent) and the average realised tariff was ₹5.60 (FY21: ₹5.52) per kilowatt hour.

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

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

Creating shareholder value through deleveraging

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

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

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

Maximising stakeholders' long-term value

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

Building sustainable future

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

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

Indian Economy and Power Sector Update

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

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

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

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

Outlook

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

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

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

N. Kumar
Chairman

29 September 2022

Financial Review

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

Revenue

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

Income statement[3]

Year ended 31 March	2022 £m	% of revenue	2021 £m	% of revenue
Revenue	£80.1		£93.8	
Cost of revenue (excluding depreciation)	(£56.5)		(£56.9)	
Gross profit	**£23.6**	**29.4**	**£36.9**	**39.4**
Other operating income	£0.0		£9.4	
Other income	£8.1		£1.9	
Distribution, General and Administrative expenses, ECL (excluding depreciation, employee stock option charge)	(£10.0)		(£14.5)	
Adjusted EBITDA	**£21.6**	**27.0**	**£33.7**	**36.0**
Share based compensation	(£0.2)		(£0.5)	
Depreciation	(£5.3)		(£5.7)	
Net finance costs	(£3.1)		(£5.9)	
Profit before tax from continuing operations	**£13.0**	**16.2**	**£21.6**	**23.0**
Taxation	(£4.1)		(£8.4)	
Profit after tax from continuing operations	**£8.9**	**11.1**	**£13.1**	**14.0**
(Loss)/Profit from discontinued operations, including Non-Controlling Interest	(£2.9)		£1.0	
Profit for the year	**£6.0**	**7.5**	**£14.1**	**15.0**

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

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

	FY22	FY21
Total generation, incl. "deemed" generation (million units)	1,868	2,107
Plant Load Factor (PLF) (%)[4]	52	58
Average tariff (INR/unit)	5.60	5.52

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

[4] Unit 3: "Deemed" PLF (%) has been included.

Gross Profit

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

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

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

Adjusted EBITDA

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

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

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

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

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

Taxation

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

Profits after tax from continuing operations

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

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

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

During FY19, the Group obtained a right to exercise an option to buy an additional 30 per cent equity interest in solar companies. Effective from FY20 this right was assigned to a third party and from FY21 the remaining related obligations and the results of the operations of the solar companies are not consolidated in the Group's consolidated financial statements due to loss of control. As previously reported, after evaluation of all options, the Group decided that the most efficient way to maximise shareholders' value from the solar operations was to divest its' stake in the solar companies.

The process of disposing the assets satisfy all conditions of IFRS 5. Therefore, the solar assets have been classified as ”Assets held for sale” as on 31 March 2022. The completion of the disposal process was impacted by Covid-19.

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

Earnings per Share (EPS)

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

Dividend policy

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

Foreign exchange gain/loss on translation

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

Property, plant and equipment

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

Other non-current assets

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

Current assets

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

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

Liabilities

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

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

Financial position, debt, gearing and finance costs

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

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

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

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

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

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

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

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

Cash fiow

Cash flow from continuing operations before and after changes in working capital were £21.6 million (FY21: £36.8 million) and £16.3 million (FY21: £40.2 million) respectively. Net cash flow from operating activities decreased from £40.2 million in FY21 to £16.3 million in FY22, a decrease of £23.8 million, primarily due to decrease in trade payables and other liabilities.

Movements (£m)	**FY22**	**FY21**
Operating cash flows from continuing operations before changes in working capital	**£21.6**	**£36.8**
Tax paid	(£0.0)	(£0.7)
Change in working capital assets and liabilities	(£5.2)	£4.1
Net cash generated by operating activities from continuing operations	**£16.3**	**£40.2**
Purchase of property, plant and equipment (net of disposals)	(£3.5)	(£0.5)
Investments (purchased)/sold, incl. in solar projects, shipping JV, market securities, movement in restricted cash and interest received[5]	(£5.7)	(£29.0)
Net cash (used in)/from continuing investing activities	**(£9.2)**	**(£29.5)**
Finance costs paid, incl. foreign exchange losses	(£4.5)	(£5.8)
Dividend paid	-	-
Total cash change from continuing operations before net borrowings	**£2.6**	**£4.9**

Ajit Pratap Singh
Chief Financial Officer,

29 September 2022

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

CEO Operational Review

The following is a review of the Group's operations for the year.

Plant availability and generation

OPG's operational performance depends upon its' sales model, plant availability, plant load factors and auxiliary power consumption. As an organization, in FY22, despite a challenging environment, the Group honoured all its commitments. The credit for this achievement goes to the dedication of our team members and to the development of robust O&M practices coupled with fuel and logistics management capabilities, which made this achievement possible.

Both coal availability and water consumption are two factors that have disrupted the availability and load factors of other thermal power plants in India in recent years. OPG's plants are designed to use wide range of fuels, both domestic and international, and built with the air-cooled condenser technology to minimize water consumption. However, just like other thermal power plants OPG was also impacted by the macro environment that led to sharp increase in coal prices and the Group's restriction in increasing prices beyond the state utility tariff to its core captive users other than TANGEDCO.

The whole industry in India, deferred their coal purchases in absence of clarity from the government. This resulted in coal shortages which was further aggravated by the early onset of summer. The Government of India has responded positively with increasing domestic coal production and allowing the high costs of imported coal to be passed on. The timely and positive intervention by the government has helped avert a power crisis in India.

The plant's load factors take account of plant availability as reduced by external factors like normal seasonal demand adjustments to their offtake under the Long Term Variable Tariff Agreement (LTVT) (though the customer still pays OPG as discussed further below), enforced system back downs and one-off disruptions to demand.

Total generation at our plant in FY22, including 'deemed' offtake, was 1.87 bn units (FY21: 2.1 bn units) with the reduction in generation primarily being due to the spike in coal prices in the second half of FY22. The plant load factor ('PLF') including 'deemed' offtake, in FY22 was 52 per cent (FY21: 58 per cent). In the latter half of FY 23, the Group expects a higher load factor compared to FY22 after the expected stabilization in coal prices.

Auxiliary consumption levels are also a key measure of plant efficiency, and are usually in the range of 7.5 per cent to 8.5 per cent for our units. The Group has instituted several measures and technical improvements to improve efficiency of the units.

Sales contracts

During FY22, the Group continued supplying directly to captive power users under short-term and multi-year contracts. This has accelerated cash collections and improved visibility of earnings. The capacity allocated for captive power plant was 334 MW, or 81 per cent of the plant's installed capacity. 74 MW of capacity has remained available for supply on the LTVT to the TANGEDCO, Tamil Nadu State Utility.

For FY23, offtake by TANGEDCO under the long term contract is expected to be higher than FY22. TANGEDCO also awarded a short term open access contract of supply of 250 MW of electricity in the month of April and May 2022.

TANGEDCO, following the directions of Ministry of Power of the Government of India, allowed the pass through of high coal costs for the Group's thermal plants os one time measure, by deviating the provisions of PPA. The pass through is valid until December 2022.

The Group was also able to negotiate an increase in tariff from its captive users during FY 22 under the existing contracts, minimizing to a certain extent the impact of higher coal prices.

In FY22, the plant realised an average tariff of ₹ 5.60 (FY21: ₹ 5.52) and a 'deemed' offtake charge of ₹ 1.50 per unit for 'deemed' generation. The difference between tariff and cost of coal on a per unit basis ('the Clean Dark Spread'), was ₹1.05/unit for FY22 (FY21: ₹2.16/unit), which was impacted on account of coal prices.

Coal supply and prices

The Group has consistently been able to import low sulphur coal from reputed Indonesian coal producers and traders with whom OPG have developed long-standing relationships. The Group has purchased coal primarily on short and medium-term contracts in FY22 and as such the Group benefitted as prices have been on the upward trajectory. The Group has also increased the offtake of Indian coal and was awarded a contract of 372,000 Tonnes in an auction by MSTC Ltd. The Group has also entered into a long term Fuel Supply Agreement with Mahanadi Coalfields Ltd. for procurement of nearly 130,000 Tonnes per annum for a period of five years.

The average coal price was ₹5,460 per tonne in FY22, which is 32.3 per cent higher than last year's average price of ₹4,127 per tonne. Current coal price and freight rates have increased significantly on account of geopolitical factors. However, independent forecasts predict international coal prices will stabilize in the last quarter of FY23 once China and Europe stocks up winter. Apart from diversifying the sources of coal, the Group has also implemented utilising a different mix (high and low GCV) of coal to minimise the impact of the increasing coal price. The Group continues to actively review its procurement and hedging practices to establish ways in which to mitigate the volatility of the coal price.

Safety and environmental compliance

The Group made xcellent progress with its safety programme, recording no fatalities and an industry leading Total Recordable Incident Report (TRIR) in FY22.

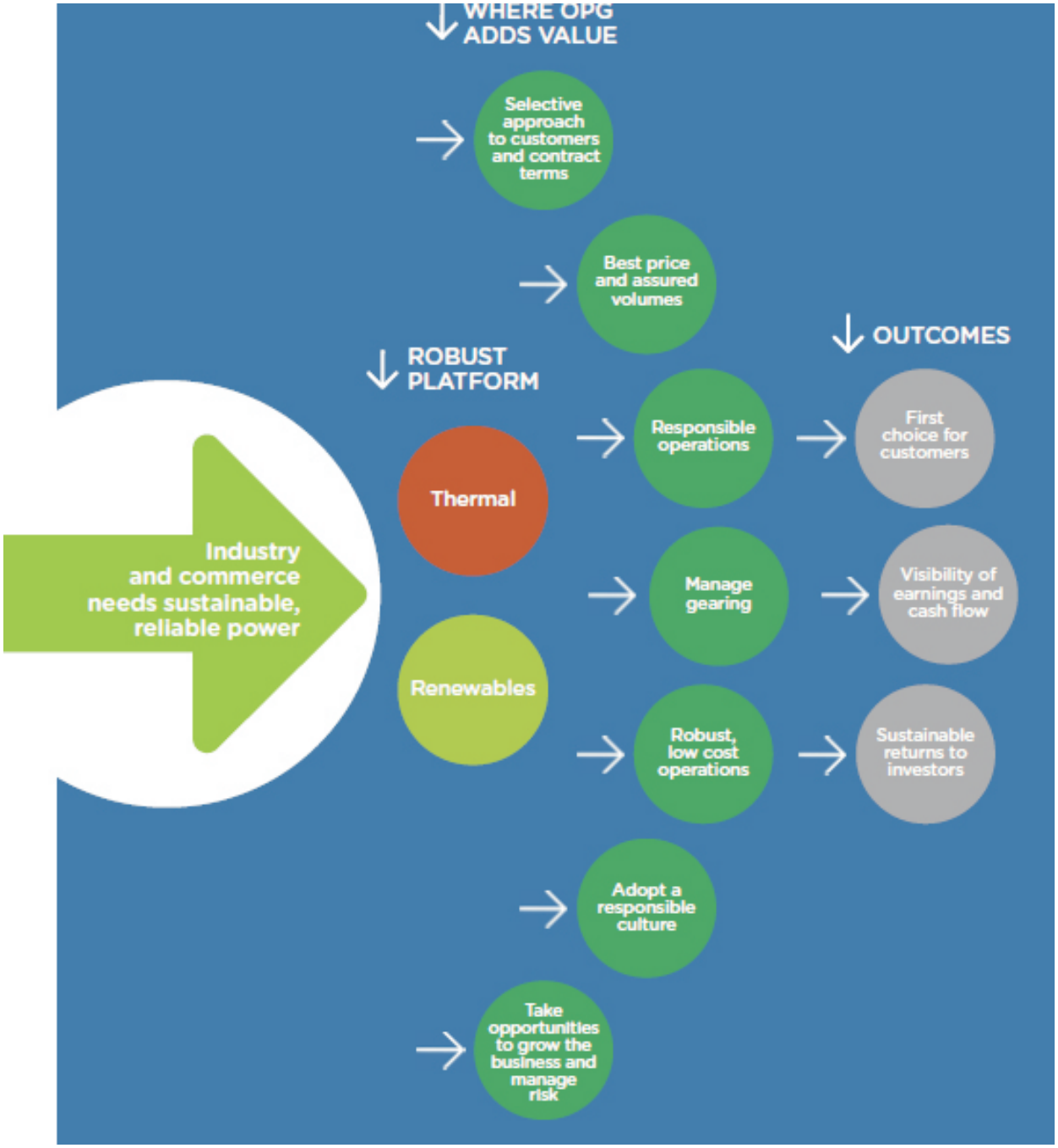
The Group continues to minimise its consumption of water through air cooling and we operate with a philosophy of continual improvement with regards to any effluent. On 1 April 2021, the Government of India (GoI) further extended the timeline for meeting emission norms for a majority of coal-based power plants in India, which are now allowed to comply with the emission norms by December 2026. The revised timeline for each power plant will vary as per its location and the GoI's categorisation of their location. The Group is well placed to comply with the new standards applicable for SOx, NOx and SPM. The Group is evaluating various technologies with a view to being fully compliant to the revised emission norms.

Investment in Atsuya Technologies

As part of the group's strategy to diversify into energy savings/ESG compliant opportunities, OPG acquired an equity stake in Chennai-based sustainability solutions provider, Atsuya Technologies Private Limited (Atsuya). Atsuya provides a suite of innovative engineering solutions to a wide variety of industries and helps its' clients scale up organically while meeting their sustainability goals. Atsuya's solutions, which cover eight of the seventeen Sustainable Development Goals (SDGs), leverage state-of-the-art technologies such as artificial intelligence, deep tech and the internet of things. Atsuya's existing clients include new-age Unicorns as well as a Fortune 500 Indian energy company.

Avantika Gupta
Chief Executive Officer

29 September 2022


WHERE OPG ADDS VALUE
Selective approach to customers and contract terms
Best price and assured volumes
ROBUST PLATFORM
OUTCOMES
Industry and commerce needs sustainable, reliable power
Thermal
Renewables
Responsible operations
First choice for customers
Manage gearing
Visibility of earnings and cash flow
Robust, low cost operations
Sustainable returns to investors
Adopt a responsible culture
Take opportunities to grow the business and manage risk

Group objectives and strategies

The Group's objective is to build shareholder value through profitable growth by becoming the first choice provider of reliable and uninterrupted power to its' captive power users

In addition, the Group's aim is to be a sector leader by reference to the quality of its earnings, the profitable growth it delivers and its performance against its own stringent safety and environment management standards.

To meet these objectives, the Group's strategy includes maximising the performance of its existing power generation assets; reducing its cost of capital and delivering returns pursuing responsible growth; and delivering 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 through plant availability and providing a reliable and uninterrupted supply of electricity directly to its captive power users. The fiexible design of our plants allows us to procure a variety of international and domestic coal and maintain an uninterrupted supply of coal. Further, the Group seeks to achieve competitive prices that are negotiated directly with captive power users. The Group's use of the group captive model means that it is well positioned to respond to fiuctuations in fuel costs through short- and medium-term sales contracts.	**Profitability** The Group's strategy involves developing and operating its power plants under the captive model enabling it to set its own tariffs with captive users and thereby providing the Group with the fiexibility to optimise tariffs and profitability. The Group continuously seeks to improve its operational performance and accordingly implements strategies for the optimisation of its power generation assets.
Reducing cost of capital and delivering returns	The Group aims to maximise cash generation at its existing power plants in order to provide liquidity support for its operations and to repay debt, to deliver returns and to generate equity for use in potential projects. The Group continues to prioritise projects that can be funded through a combination of debt financing and internal resources, and that can be expected to generate revenues which meet its target return levels without any direct subsidies being made available. Furthermore, the Group seeks to maintain manageable gearing levels and regular open dialogue with its shareholders and financing partners.	**Dividends** In light of disruptions caused by the extraordinary volatility in coal prices and freight this year, the Board believes that it is in the best interests of the Group and its stakeholders to conserve cash for the repayment of debt, to fund growth in relation to ESG focused projects and to maintain a strong and resilient balance sheet to withstand the turbulent times. Therefore, the Board decided to not declare a dividend for FY22. The Board will revisit the Company's dividend policy once the coal prices stabilize.
Deleveraging	As of 31 March 2022, total borrowings were £43.3m. The gearing ratio (net borrowings / (equity plus net borrowings) was 4 per cent (31 March 2021: 9 per cent). During FY22 net debt (total borrowings minus cash and current and non-current investments in mutual funds) reduced to £6.9 million from £16.2 million and Net Debt to Adjusted EBITDA ratio reduced to 0.3x from 0.5x as a result of the repayment of term loans and working capital loans and foreign exchange impact. Based on term loans repayment schedule Chennai plant will be debt free by June 2024.	

Market Review

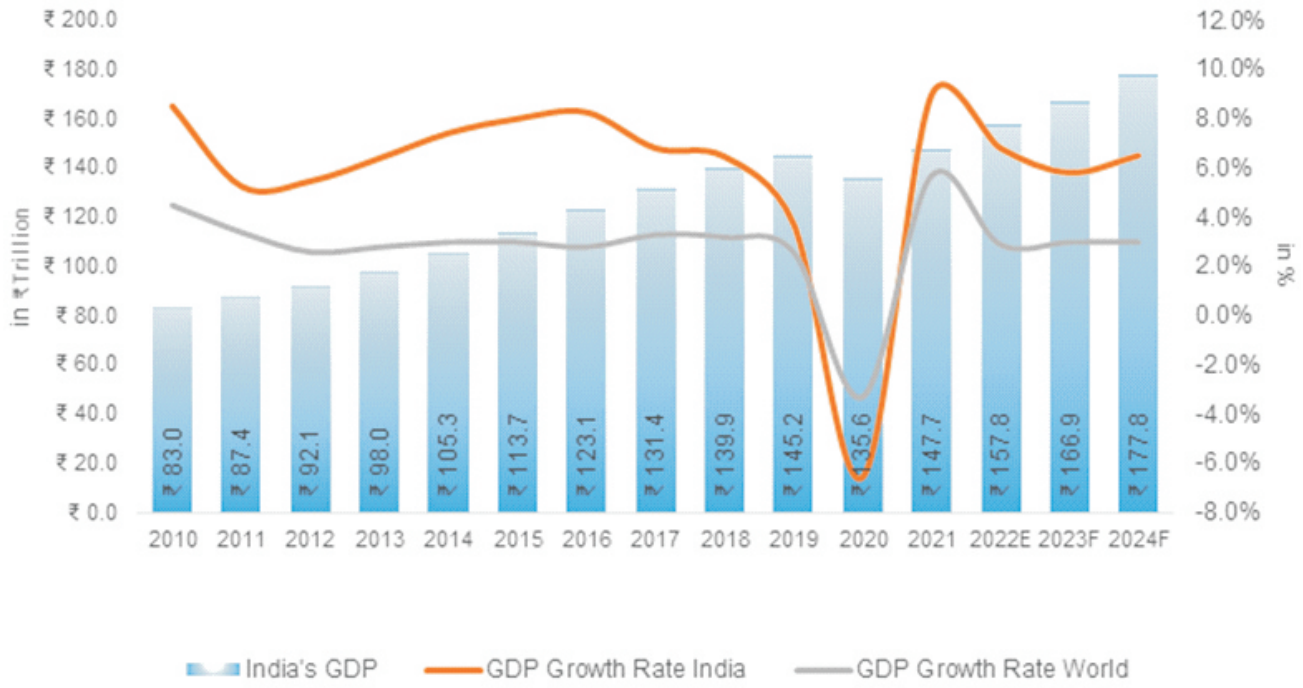
Global and Indian Economy

The two years of global pandemic and spill overs from the Russian Federation's invasion of Ukraine, have led to a sharp increase in global commodity prices and resultantly, is leading to muted economic activity. With varying duration, magnitude and economic impact, the Global Economy witnessed re-emergence of Covid-19 in different parts of the world. In many countries, inflation has become a central concern. The global growth is projected to decline from 6.1 per cent in FY21 to 2.6 per cent in FY23 mainly attributable to the Russia-Ukraine conflict, continued Covid-19 flare-ups, frequent and wider ranging of lockdowns in China including the key manufacturing hubs, diminished fiscal support and lingering supply bottlenecks. Further escalation in conflict, may deteriorate global-supply demand imbalances, and a further increase in commodity prices. Central Banks have started the interest rate hike and are expected to remain aggressive throughout CY22 and the first half of CY23.

India, on the other hand will continue to shine and provide a ray of hope in this otherwise dismal scenario. Indiais expected to remain one of the fastest growing major economies in the world. Despite witnessing contraction in economy during the Covid-19 induced lockdowns, the size of the Indian economy is at US$ 3.1 trillion in FY22 against US$2.69 trillion in FY21. Even though the Indian economy contracted by 7.3 per cent in FY21 due to pandemic related disruptions, the economic rebound has been sharp and despite turbulences, the GDP crossed the pre-pandemic levels in the second quarter of FY22.

According to the World Economic Report, the Indian Economy is expected to grow by 8.2 per cent in FY23 supported by strong projected performance of major sectors including services, agriculture, manufacturing, mining, construction and energy. The Reserve Bank of India, even while maintaining a conservative outlook, has projected a growth rate of 7.2 per cent due to the volatile geopolitical situation, surge in international energy and commodity prices, supply-side disruptions, tightening of global financial conditions and weak external demand pose risks.

India and the World – Gross Domestic Product



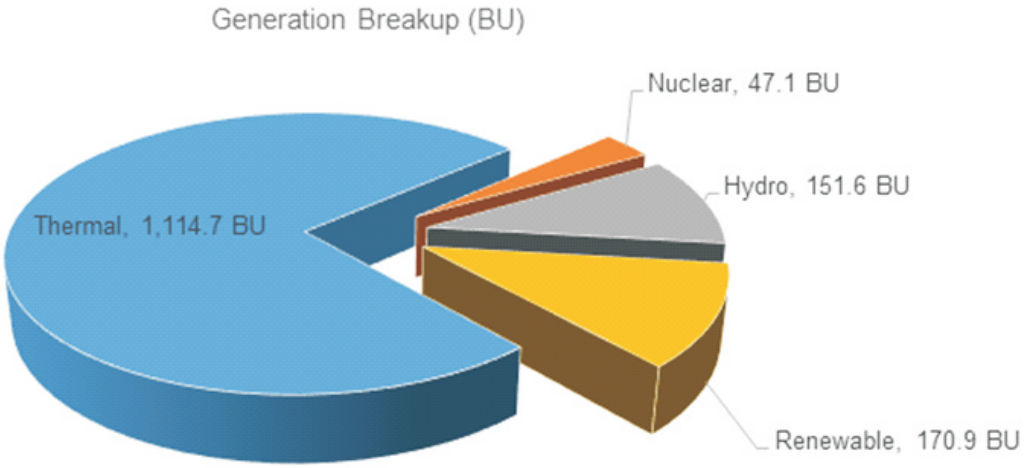
In continuation of the vision to make India a US$5 trillion economy by FY25, various initiatives such as "Make in India", "Local to be Vocal", digitization at every level of functioning, labour reforms, betterment of infrastructure and augmenting logistic facilities, have been undertaken by the Government of India, so as to make Indiaa hub of global manufacturing activities.

India is on the path to a sustained economic recovery led by the vigorous countrywide vaccination drive, which helped to reduce the severity of the third wave with minimal disruptions to mobility and economic activity. The government's capital spending is increasing while the revenue expenditure is on a decreasing trend.

Overview of the Indian power sector:

Power being one of the most essential components of infrastructure, is crucial for the economic growth and welfare of a nation like India. To sustain the rapid economic growth that India has seen over the last few decades, the power sector will continue to play a pivotal role. India has the fourth largest electricity market in the world, after China, the US and the European Union, with generation of 1,484 billion units (BU) (FY21: 1,382 BU). It is the world's third largest energy consuming country led by population growth, urbanization, industrialization, commercialization, growing air-conditioning units and digitisation. Increase in electricity demand has further been led by improved standards of living and gains in electrification access.

Generation breakup in billion units



India's per capita consumption however stands abysmally low at about one-third of the world's average per capita electricity consumption. The per capita consumption in the UK is more than five times that of India. With electricity being a critical enabler for the economic growth of the country, the Government of India is committed to growth in power generation.

The power demand in the country is expected to grow at 6.5 per cent between FY22 and FY24 according to the Central Electricity Authority, Government of India (GOI), driven by rising industrial and commercial demand. Further, demand revival will be facilitated by various reforms undertaken by the GOI.

India's power sector is one of the most diversified in the world with sources of power generation ranging from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. As at 31 March 2022, India total installed capacity was 400 GW out of this 60% was through fossil fuels.

In the current decade (2020-2029), the Indian electricity sector is likely to witness a major transformation with respect to demand growth, energy mix and market operations. Considering the expected pick-up in the GDP growth and the various macroeconomic reforms and measures taken by the GOI. Further, power demand revival in the country will be driven by various reforms undertaken by the Government of India, viz., Ujwal DISCOM Assurance Yojana (UDAY) scheme, the Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) scheme,'Power for all' initiatives, Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) scheme and Integrated Power Development Scheme (IPDS). Under the UDAY scheme, DISCOMs need to modernize their networks and lower their distribution losses.

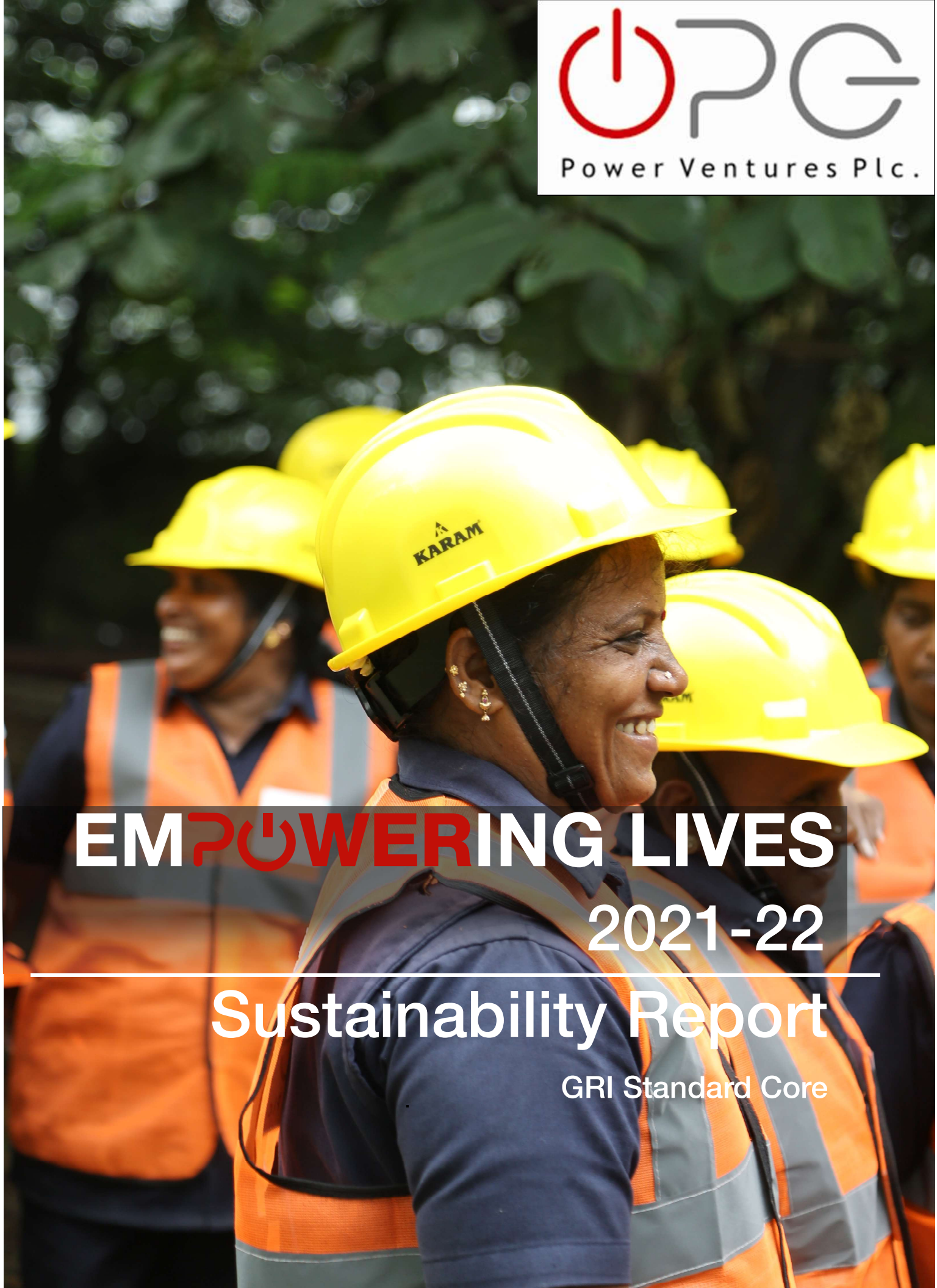
As at 31 March 2022 total installed Renewable Energy Source (RES) except large hydropower was 109.9 GW. New capacity addition during the year was 15.5 GW. At the UN Climate Change Conference in Glasgow (COP26), India committed to cut its emissions to net zero by 2070 and generate 50 per cent of its energy from renewable resources by 2030, and by the same year to reduce total projected carbon emissions by one billion tons.

Despite India's commitment at the COP26,coal will remain a significant fuel source in the country's quest to provide power to every citizen. According to CEA, at the beginning of the FY22, 48 thermal power units aggregating to 32.3GW were under construction in the country. Nearly 10.3 GW of thermal capacity was expected to be commissioned in FY22. However, only 43.6 per cent of this scheduled capacity was commissioned in FY22.

Policy Initiatives that will positively impact OPG

- The Central Electricity Regulatory Commission (CERC) in June 2022 has issued the Draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2022 for stable, reliable and secure grid operation and to achieve maximum economy and efficiency of the power system. A stable and reliable grid will help OPG in exporting power to captive users in other states.
- All States and Union Territories (UTs) have signed MoUs with the Central Government to ensure 24x7 power supply to all households, industrial & commercial consumers and adequate supply of power to agricultural consumers. This may translate into increased offtake by the state utility, TANGEDCO.
- The Government of India approved commercial coal mining for the private sector and the methodology of allocating coalmines via auction and allotment, thus introducing transparency in the process. OPG is actively participating in these auctions and allotments.

Power Ventures Plc.



EMPOWERING LIVES

2021-22

Sustainability Report

GRI Standard Core

OPG Power Ventures Plc

0.1

OPG Power Ventures Plc (AIM:OPG), is the developer, owner and operator of power plants through its operating subsidiary and associates. It is a public limited company incorporated and headquartered in the Isle of Man, UK with operations in India. The Company has been admitted to trading on the AIM Market of the London Stock exchange since 2008. The Group has 332 employees and provides quality reliable power to Industrial Captive units.

GRI 102 : 1-8

Power Ventures Plc.

SUSTAINABILITY REPORT **2022**

Empowering Lives

"Our approach to Sustainability is empowering lives, whether it is our employees, workers or neighbouring communities."

1.1 Reporting Framework

This is our second Sustainability Report and provides disclosures on all relevant material indicators. This report has been prepared in accordance with the 'GRI (Global Reporting Initiative) Standards: Core option'. **As per GRI criteria, material areas with a high bearing on business are disclosed for management approach and progress.**

The report follows guiding principles for defining report quality and content. The principles followed for report quality are accuracy, balance, clarity, comparability, reliability and timeliness. For report content, stakeholder inclusiveness, context, materiality and completeness are considered. To complement the GRI framework, other reporting frameworks are being explored that may be reflected in future disclosures. These are IR Framework (Integrated Reporting) and SASB (Sustainability Accounting Standards Board). Additionally, we have been able to map our report content to the Sustainable Development Goals (SDGs) aligning the current report to the targeted SDGs.

GRI 102 – 51, 52, 54

414 MW Thermal power plant at Gummidipoondi, Tamil Nadu

62 MW Solar Power Plant, Karnataka

1.2 Scope and Boundary

This report covers information for the period 1st April 2021 to 31st March 2022. The baseline year is the previous year for most indicators but in certain cases the baseline is 2015-2016.

In terms of operational boundary, the data for all significant operations is covered, which includes data from Gummidipoondi Thermal Plant and Karnataka Solar Plant, and for social indicators such as employee data, data from the Chennai office is also included. The footprint for our Head Quarters in the Isle of Man is negligible, hence not considered. Relative to the previous year, there are no changes in our capacity, organizational structure or supply chain.

GRI 102 : 9, 10, 46, 53

OPG has an installed capacity of 476 MW; 414 MW of Thermal in Tamil Nadu and 62 MW of Solar in Karnataka.

For the coal fired thermal power plant at Gummidipoondi, Chennai, there are two units of 77 MW, and one unit of 80 MW and 180 MW. The 62 MW solar unit in Karnataka is with 31% equity interest.

OPG's registered office is at IOMA House, Hope Street, Douglas, Isle of Man, IM 1 AP, UK. The Group's Indian office is located at No.6, Sardar Patel Road, Guindy, Chennai-600032.

Report Boundary

For any feedback, comments, or suggestions, please reach out to feedbackesg@opgpower.com

1.3

Our Business Operations

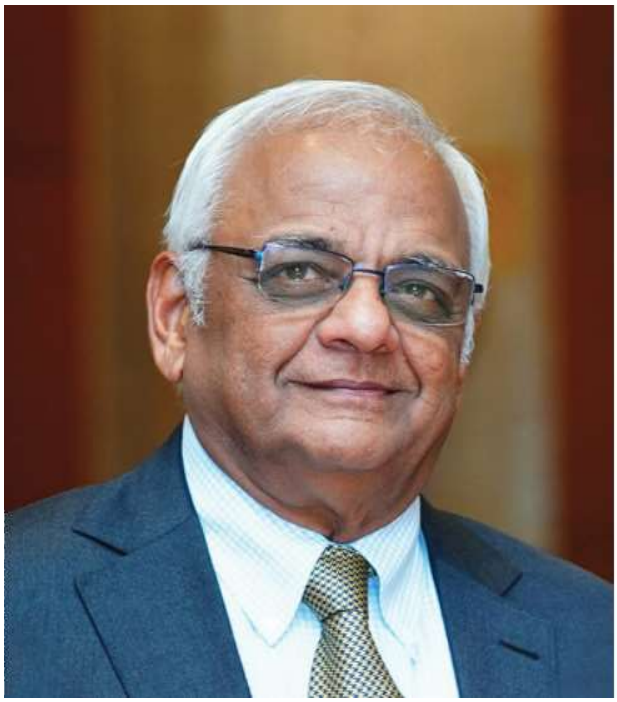
INDIA LOCATIONS

GRI 102 – 3, 4

OPERATING ENTITIES

Plant Name	Address	MW	Geographic Coordinates
OPG Power Generation Pvt. Ltd.	OPG Nagar, Madharpakkam Road, Gummidipoondi, Thiruvallur District, Tamil Nadu-601201	414	13.440494°N/ 80.100347°E
Aavanti Renewable Energy Pvt. Ltd. (AREPL)	Survey No 105/2, Hothragondahalli Village, Mathodu Hubbli,Kerehalli Post, Chitradurga District, Karnataka - 577533	20	13.754425°N/ 76.400605°E
Aavanti Solar Energy Pvt. Ltd. (ASEPL)	Survey No 25/2,Bisitikoppa Village,Shiggon Taluk, Haveri District, Karnataka - 581205.	20	15.028290°N/ 75.193230°E
Brics Renewable Energy Pvt. Ltd. (BREPL)	S.No.3A, Bennihalli Village, Chigateri Hubli, Harpanahalli Taluk, Devangree District, Devangere, Karnataka - 583127	2	14.808001°N/ 76.101524°E
Mayfair Renewable Energy (I) Pvt. Ltd. (MREPL)	Survey No 277/1B Hirehal Village,Ron Hubbli, Ron Taluk,Gadag District, Karnataka-582209	20	15.79° N/ 75.76° E

1.4 Message from the Chairman



"It is clear that our responsibility is towards our internal & external stakeholders and towards our planet."

Dear Stakeholders,

I am delighted to present our ESG report for FY 21-22, which draws out key highlights of our financial and non-financial progress.

GRI 102 – 14

OPG Power Ventures, started its journey in 2008 with a 20 MW thermal plant. In the reporting year, our capacity is 476 MW of which 414 MW is thermal and 62 MW is solar. Our primary business model is Group Captive. The foundation for our business growth and success is our focus on using cutting-edge technologies, choosing strategic locations, a stream of dedicated buyers, and a capable and well trained team that executes the business model.

OPG hopes to become one of the leaders in the energy sector. We strive to create value for our customers and shareholders, while keeping our workforce, communities and environment safe. We are confident that with the help of all our stakeholders, we will raise the bar for sustainable prosperity along with environmental and social value creation.

The Group deploys a fourfold strategy: maximizing the performance of its existing power generation assets, deleveraging, pursuing responsible growth, and delivering accretive growth projects within our area of expertise. It is clear that our responsibility is towards our internal and external stakeholders and towards our planet.

I want to take this opportunity to thank all stakeholders, our investors, employees, customers and the Government for this wonderful opportunity to serve. We look forward to an exciting year contributing to India's ambitious energy plans along with all our stakeholders.

N Kumar

Non-Executive Chairman

1.5 Message from the CEO

"Our business vision is to create value for our stakeholders, while being diligent on compliance norms, and respecting natural resources"

Dear Stakeholders,

I am pleased to share our second sustainability report for FY 2021-22, with enhanced ESG disclosures that demonstrate our commitment to Sustainability. The disclosures reflect our informed sustainability strategy, which includes the perspective of our stakeholders.

GRI 102 – 14

Our business vision is to create value for our stakeholders, while being diligent on compliance norms and respecting natural resources. Our sustainability strategy is to choose areas of strategic interest and systematically work on these areas to create impact within and outside the organization.

Some of the high priority areas identified during FY 22 are business growth, profitability, ethics & integrity, water, waste, energy & emissions, employee health & safety, training and development, environmental compliance, and community service. We have made disclosures on these material areas and certain tactical areas that are significant for the organization.

We have been diligent on all compliance matters, be it social, governance or environmental, and have served the local communities based on their needs and requirements. Safety is a core value for us underpinned by robust management systems adhering to global standards such as ISO 45001: 2018. Another incident-free year indicates our rigorous processes and well-embedded safety culture.

It is a delight to have employees interested in conserving and enhancing biodiversity at our Gummidipoondi campus. The efforts of the last decade have resulted in 64 floral and 102 faunal species.

As an organization driven by purpose, we strive to pursue the path of creating long-term value for all stakeholders. I invite you to read the Sustainability Report and provide us feedback at feedbackesg@opgpower.com.

The complete ESG Report is enclosed herewith and forms part of the Annual Report. The complete ESG Report is also available on our website www.opgpower.com

Avantika Gupta
Chief Executive Officer

PRINCIPAL RISKS

The Group faces a number of risks to its business and strategy. The management of these risks is an integral part of the management of the Group. The list of principal risks and uncertainties facing the Group's business 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.

SECTOR RELATEDRISK	DESCRIPTION	MONITORING AND MITIGATION
Power sale	The Company's power plants derive their revenue from the group captive model supplying power on 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 impose restrictions on the Company's ability to, amongst other things, increase prices at short notice and undertake expansion initiatives with other customers. The Group's power plants may not qualify or continue to be recognised as captive power producers which may damage the Group's business model or increase the costs to the Group's captive power users. This could adversely affect the revenues in the short-to medium-term and results of operations.	➡ Review contracts periodically to obtain best possible tariffs. ➡ Flexibility to supply to captive consumers or in the open market. ➡ Bench marking captive consumer prices to state utility prices to beneflt from any price increases. ➡ Monitor ongoing customer performance, maintaining a group of counterparties.
Availability of fuel supply and costs	The Group has coal linkages with domestic 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 and increases in shipping costs and any changes in applicable taxes and duties. This could impact the operations and profltability of the Group.	➡ Seeking long-term supplies ➡ Maintaining adequate storage facilities to keep appropriate levels of surplus stocks ➡ Maintaining relationships with suppliers and mitigating any potential disruption ➡ Developing different sources for fuel supply especially in the imports market
Reliable transmission infrastructure	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 in adequate 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 profltability.	➡ Assessing adequate availability of transmission capacity and related fees during project evaluation stage ➡ Construction and/or upgrade of transmission facilities near the Group's existing or future powerplants ➡ Maintaining a proactive relationship with local Distribution Companies ('Discoms') and monitor any changes
Geopolitical Risks	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.	➡ The Group continues to monitor changes and developments in the global markets to assess the impact on its procurement plans

SECTOR RELATEDRISK	DESCRIPTION	MONITORING AND MITIGATION
Exchange rate fiuctuations	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 presentational currency is Great Britain Pound. Imported coal is purchased in US Dollars and the company has replaced rupee denominated term loans to dollar denominated term loans. The Group's flnancial results may be affected by appreciation or depreciation of the value of the foreign exchange rates relative to the Indian Rupee.	➡ Putting in place, where appropriate, 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
Government policy and regulations	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, licences and permits issued by the Indian government and other regulators and failure to obtain, comply with the terms of or renew such approvals, licences and permits may restrict the Group's operations or development plans, or require their amendment, and may adversely affect the Group's profltability, or result in it being subject to flnes, sanctions, revocation of licences or other limitations. Group's business model of GCPPs is subject to rules and regulations, which can be potentially interpreted by the authorities in a way different from Group's interpretations. The profltability of the Group will be in part dependent upon the continuation of a favourable regulatory regime with respect to its projects.	➡ Group monitors and reviews changes in the regulatory environment and its commitments under licences previously granted ➡ It continually ensures compliance with the conditions contained within individual licences and is mindful of the importance of complying with national and local legislation and standards ➡ The Group maintains an open and proactive relationship with the Indian government and its various agencies.
Ability to retain fiscal and tax incentives	The Group's existing and planned power plants beneflt from various flscal and tax incentives that are available to the Company from the federal and state governments. A change in policy or the adoption of tax policies and incentives can have an adverse impact on the profltability of the Group.	➡ 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
COVID-19 pandemic	The spread of COVID-19 across the world has impacted businesses globally. The pandemic has posed risks to human life, resulted in low power demand due to national lockdown and disrupted supply chain.	➡ The Group had adequate stock of coal and oil for plant startup and critical spares at the time of the COVID-19 lockdown. This has helped in ensuring the functioning of the plant during the lockdown.
Global financial instability	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 in evitably affected the Indian economy. Continuing uncertainty and concerns about contagion in the wake of the flnancial crises could have a negative impact on the availability of funding.	➡ The Group continues to monitor changes and developments in the global markets to assess the impact on its flnancing plans

BOARD OF DIRECTORS

Mr. Arvind Gupta, Chairman
(until 4 April 2022)

Mr. Arvind Gupta, a Commerce graduate from the University of Madras, joined the OPG family business in 1979. An energetic self-starter, visionary and a strategic leader, Mr. Gupta set up a steel pipe unit in 1979 at the age of 18 and pioneered the Group Captive Power Producer concept in Tamil Nadu state and developed and operationalised the 18 MW gas fired plant of OPG Energy, through to successful completion in 2004. Since then, Mr. Gupta has been responsible for the construction and development of the power plants of the OPG Group as well as its overall strategy, growth and direction. Having gained experience in various divisions of the business including flour milling, steel production and logistics, he went on to become the President of Kanishk Steel (listed on the Bombay Stock Exchange). He identified opportunities in power generation and developed this division within Kanishk Steel with initial projects in wind power generation in 1994. In addition, he has interests in several industries including cycle tyre tubes, energy - wind, power & solar, NBFC and real estate. Mr. Gupta is the Honorary Consul for North Macedonia in India.

Mr. Arvind Gupta stepped down from the Board of OPG Power Ventures Plc, effective from 4 April 2022 and Mr. N. Kumar became the Non-Executive Chairman, effective from 4 April 2022. Mr. Gupta was the Chairman of the Nomination Committee till 4 April 2022.

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.

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 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 became the Chairman of the ESG Committee of the Company and a member of the Remuneration Committee with effect from 28 June 2021. He became a member of the Nomination Committee with effect from 29 April 2022.

Dmitri Tsvetkov, Chief Financial Officer, Executive Director (until 31 May 2022)

Mr Tsvetkov has over 23 years of financial, accounting and operational experience ,including significant experience of working with promoter/founder led energy sector listed companies in London, Africa, Asia and Canada. Mr Tsvetkov was Chief Financial Officer of OPG Power Generation Pvt Ltd, the Chennai subsidiary of OPG from July 2017 to October 2017.Prior to that he was Chief Financial Officer of Advance International Exploration, Inc., Interim Chief Executive Officer and Chief Financial Officer of Mart Resources, Inc., a TSX listed oil and gas company, and Chief Financial Controller of Heritage Oil Plc, a FTSE 250 oil and gas company. Mr Tsvetkov was with Price water house coopers in Calgary, Canada and Moscow ,Russia from 1994 to 2006.He has a Chartered Accountant (CA) designation from the Canadian Institute of Chartered Accountants, an FCCA designation from the Association of Chartered and Certified Accountants in the UK and Chartered Financial Analyst (CFA) designation from the CFA Institute in the US.

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

CORPORATE GOVERNANCE REPORT
FINANCIAL YEAR ENDED 31 MARCH 2022

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. The Company completed its development programme, paid a dividend with respect to the years ended 31 March 2018, 2019 and 2020 and 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 2022

The Board of the Directors of the Company comprised of the following individuals as at 31.03.2022:

Executive Directors as at 31 March 2022

1. Mr. Arvind Gupta (Chairman);
2. Mr. Dmitri Tsvetkov (Chief Financial Officer); and
3. Ms. Avantika Gupta (Chief Operating Officer).

Non-executive Directors as at 31 March 2022

1. Mr. Jeremy Warner Allen (Deputy Chairman);
2. Mr. N. Kumar, Non-Executive Director and;
3. Mr. Michael Grasby (appointed on 19 February 2021).

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.

Therefore, as at the date of this Report, the Board of Directors of the Company comprises of the following Executive and Non-Executive Directors :

EXECUTIVE DIRECTORS

1. Ms. Avantika Gupta (Chief Executive Officer, Director).

2. Mr. Ajit Pratap Singh (Chief Financial Officer, Executive Director).

NON-EXECUTIVE DIRECTORS

1.Mr. N. Kumar (Non-Executive Chairman).

2. Mr. Jeremy Warner Allen (Non-Executive Deputy Chairman).

3. Mr. P. Michael Grasby (Non-Executive Director).

Changes in constitution of the Committees

The ESG Committee was established on 28 June 2021 and Mr. Michael Grasby became the Chairman of the ESG Committee with effect from 28 June 2021.Mr. Dmitri Tsvetkov and Ms.Avantika Gupta are the other members of the Committee.

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

Mr. Michael Grasby became a member of the Remuneration Committee and Nomination Committee with effect from 28 June 2021 and 29 April 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 to 35 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 six times during the year under review. All the board meetings during the year were held by Video Conference.

During the 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 five 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. Jeremy Warner Allen, Non-Executive Director shall retire from office by rotation and is 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 meetings		Board Committee meetings							
			Audit		Remuneration		Nomination		ESG*	
	Number	Attended	Number	Attended	Number	Attended	Number	Attended	Number	Attended
Arvind Gupta**	6	4	NA	NA	NA	NA	1	1	NA	NA
Dmitri Tsvetkov**	6	6	NA	NA	NA	NA	NA	NA	3	3
Avantika Gupta	6	5	NA	NA	NA	NA	NA	NA	2	2
Jeremy Warner Allen	6	6	2	2	1	1	1	1	NA	NA
N Kumar	6	6	2	2	1	1	1	1	NA	NA
Michael Grasby	6	5	NA	NA	1	1	NA	NA	3	3
Number of meetings held during the year	**6**		**2**		**1**		**1**		**3**	

*ESG Committee was established on 28 June 2021.

**Mr. Arvind Gupta resigned from the Board of Directors of the Company and Mr. N. Kumar became the Non-Executive Chairman with effect from 4 April 2022. Mr. Dmitri Tsvetkov resigned as CFO, Executive Director from the Board and Mr. Ajit Pratap Singh was appointed as CFO, Executive Director with effect from 31 May 2022.

Notes:-

1. Mr. Michael Grasby became member of the Nomination Committee wef 29 April 2021 and Remuneration Committee w.e.f. 28 June 2021. He was appointed as the Chairman of the ESG Committee w.e.f 28 June 2021.
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

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

The members of the Audit Committee are Mr. Jeremy Warner Allen and Mr. N Kumar. 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 twice during the year and considered the following matters during the year under review:

- Committee at its meeting held on 24 September 2021 approved the FY21 Annual Report and Financial Statements for the year ended 31 March 2021; and
- Committee at its meeting held on 06.12.2021 approved the Financial Statements for the H1 FY22.

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' FY21 final and FY22 planning reports to the Audit Committee. These issues were addressed as part of preparation of the FY22 financial statements.

Remuneration Committee

The Remuneration Committee currently consists of Mr. N Kumar, Mr. Jeremy Warner Allen and Mr. Michael Grasby. Mr. Michael Grasby became a member of the Remuneration Committee with effect from 28 June 2021.

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 43 to 45.

Nomination Committee

As on 31 March 2022, the members of the Nomination Committee were Arvind Gupta, Jeremy Warner Allen and N Kumar. 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. 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. Michael Grasby was appointed as Chairman of this committee with effect from 28 June 2021. The other members of the ESG committee are Ms. Avantika Gupta and Mr.Dmitri Tsvetkov as on 31 March 2022.

Consequent to the changes in the Board of Directors, effective from 31 May 2022, the Company's ESG Committee comprises of Mr. Michael Grasby, Ms.Avantika Gupta and Mr.Ajit Pratap Singh as at date of this Report. 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 31 and 32.

Assurance

BDO LLP was appointed as auditor for the Group for the financial years ended 31 March 2019, 31 March 2020 and 31 March 2021 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 2022. 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 41 and 42. 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 is 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 2022.

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 2022 are set out in the Consolidated Statement of Comprehensive Income. The Group's profit for the year after tax was £8.9million (2021: £13.1million).

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 2022 :

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

Consequent to the changes in the Board of Directors as mentioned on Page 36, Board of Directors of the Company comprises of the following individuals as at the date of this Report:-

Sl.No.	Name of the Directors	Profile
1.	Mr. N. Kumar	Non-Executive Chairman Chairman of the Remuneration Committee and a member of the Nomination Committee and Audit Committee
2.	Ms. Avantika Gupta	Chief Executive Officer, Director Member of ESG Committee
3.	Mr. Ajit Pratap Singh	Chief Financial Officer, Executive Director Member of ESG Committee
4.,	Mr. Jeremy Warner Allen	Non-Executive Deputy Chairman Chairman of the Audit Committee and Nomination Committee and a member of the Remuneration Committee.
5.	Mr. P. Michael Grasby	Non-Executive Director Chairman of the ESG Committee and a member of the Remuneration Committee and Nomination 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 2022 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, including coal. 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 28 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 2022:

	Percentage of voting rights and issued share capital	Number of ordinary shares
Gita Investments Limited and related parties and Directors	52.1%	208,694,770
M&G Investment Management Limited	11.9%	47,699,617
British Steel Pension Scheme	3.3%	13,177,222

Registered agent

The registered agent of the Company at 31 March 2022 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 28.

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 29 September 2022 and signed on its behalf by:

Philip Scales
Company Secretary
OPG Power Ventures Plc
55 Athol Street
Douglas
Isle of Man
IM1 1LA

29 September 2022

DIRECTORS' REMUNERATION REPORT 2022

Introduction

This report sets out information about the remuneration of the Directors of the Company for the year ended 31 March 2022. 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 2022 comprises of Mr. N Kumar, Mr. Jeremy Warner Allen and Mr. Michael Grasby, who are independent Non-Executive Directors. Mr. N.Kumar is the Chairman of the Remuneration Committee. Mr. Michael Grasby became a member of the Remuneration Committee with effect from 28 June 2021.

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.

Attendance at meetings of the Remuneration Committee by individual members is detailed in the Corporate Governance Report on page 38.

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 FY22 and no shares were issued during FY 22.

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 FY22. In light of current market conditions, it was decided that no bonuses would be awarded to Executive Directors in FY22. No bonuses were awarded to Executive Directors in FY21 due to COVID-19.

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 2022	31 March 2021
Gita Investments Limited and related parties[1]	206,432,166	206,432,166
Jeremy Warner Allen	1,124,680	1,124,680
Dmitri Tsvetkov*	1,126,691	1,126,691
N Kumar	-	-
Michael Grasby	11,233	11,233
Total	**208,694,770**	**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.

There were no changes to Directors' interests between 31 March 2022 and the date of this report. No Director had any interest in any contract of significance with the Group during the year ended 31 March 2022 other than their service contracts.

Directors' remuneration for the period 1 April 2021 to 31 March 2022.

Salary, annual bonus and benefits

	Salary/fees £	Annual bonus £	**Total FY22** £**	Total FY21 £
Chairman				
Arvind Gupta*	–*	–	–	-
Executive Directors				
Dmitri Tsvetkov	150,000	–	150,000	150,000
Avantika Gupta	59,043	–	59,043	60,000
Non-executive Directors				
Jeremy Warner Allen	25,000	–	25,000	25,000
N Kumar	22,500	–	22,500	22,500
Michael Grasby (from 19 February 2021)	22,500	–	22,500	2,562
Total	**2,79,043**	**–**	**2,79,043**	**260,062**

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

*In FY21 and FY 22, as part of COVID-19 response, Arvind Gupta voluntarily agreed to take 100 per cent salary reduction.

Under their service agreements, Mr. Arvind Gupta, Mr. Dmitri Tsvetkov and Ms. Avantika Gupta are entitled to medical, insurance and other allowances. During the year 2021-22, Mr. Arvind Gupta and Ms. Avantika Gupta received medical, insurance and other allowances aggregating to £56,941 and £7,085 respectively. During the year 2020-21, Mr. Arvind Gupta and Ms. Avantika Gupta received £144,896 and £352 respectively.

Directors' LTIP

	LTIP granted	LTIP as at 1 April 2021	Movements during the period			LTIP Outstanding 31 March 2022	Latest vesting date
			Granted	Expired/ Cancelled	Exercised		
Arvind Gupta	24 April 2019	7,111,111	Nil	5,925,926	Nil	1,185,185	24 April 2020
Dmitri Tsvetkov	24 April 2019	3,413,334	Nil	2,844,445	Nil	568,889	24 April 2020
Avantika Gupta	24 April 2019	1,706,667	Nil	1,422,222	Nil	284,445	24 April 2020

At 31 March 2022, 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

29 September 2022

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

29 September 2022

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 2022 and of the Group's profit for the year then ended;

- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board;

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 2022 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 the preparation of the Group financial statements is applicable law and International Financial Reporting Standards as issued by the International Accounting Standards Board.

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 response to the key audit matter and 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 entity'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% (2021: 100%) of Group profit before tax* *100% (2021: 100%) of Group revenue* *100% (2021: 100%) of Group total assets*		
Key audit matters		**2022**	**2021**
	Carrying value of the thermal power station	✓	✓
	Going concern	✓	
	Accounting for assets held for sale	✓	✓
Materiality	*Group financial statements as a whole* £650k (2021: £1,078k) based on 5% of the 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 2022 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. We determined the following to be key audit 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 £173 million as at 31 March 2022. Management is required to assess whether they consider there are any indications that the Group's assets may be impaired as at 31 March 2022. This assessment is undertaken in line with IAS 36 Impairment of Assets. Management determined that the low market capitalisation of the Group when compared to the carrying value of the power station is an indicator of impairment. 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. 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.	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 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 that its impairment model supports the carrying value of the thermal power station to be appropriate.
Going concern *Please refer to accounting policies in*	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	Our procedures included the following: We reviewed the Directors' assessment of going concern through analysis of the Group's cash flow forecast through to September 2023 and beyond, including

note 5(a).	scenarios as further described in note 5(a). In light of the sharp fluctuations in coal prices, industry-wide supply issues and the resultant economic uncertainty we considered the ability of the Group to operate within its facilities and continue as a going concern in this environment to be a key audit matter.	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 an 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(p), and key sources of estimation uncertainty in note 6(a).*	The group holds investments in Solar projects which are accounted for as investments in associates. As the investments are held for sale, under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, these are required to be measured at the lower of the carrying amount or fair value less costs to sell and management have determined that an impairment of £2.4m is required. These investments have been held under IFRS 5 for three years and assessing whether they continue to meet those requirements requires significant judgement by management. Given the judgement involved around the appropriateness of the classification as held for	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 and have corroborated that the sales process is continuing through agreement to recent formal offers from prospective buyers and board minutes. We have evaluated the offers received by management and considered the offers as evidence of the fair value less costs to sell against the carrying amount of the assets to assess that these were measured at the lower of the carrying amount and fair value less costs to sell. We used the offer letters and recalculated the impairment that management have determined to assess whether the fair value has been accurately measured. **Key observations:** Based on the procedures above, we found the Group's assessment of the accounting for the Solar projects to be appropriate.

	sale, and the determination of the impairment, the accounting for the assets held for sale was considered to be a key audit matter.	

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	
	2022	2021
Materiality	£650k	£1,078k
Basis for determining materiality	5% of profit before tax	
Rationale for the benchmark applied	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	£488k	£809k
Basis for determining performance materiality	75% of Materiality On the basis of 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 77% of Group materiality which was dependent on the size and our assessment of the risk of material misstatement of the component. Component materiality in respect of the significant component was £500k. In the audit of the component we further applied a performance materiality level of 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 £20k (2021: £24k). 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 FY22 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.

Procedures performed by the group and component audit team included:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant frameworks are the rules of the London Stock Exchange for companies trading securities on AIM, the Companies Act 2006 and relevant tax compliance regulations in local jurisdictions. We understood how the Group is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures.

- Discussions with the Directors, group and local management, and the Audit Committee regarding known or suspected instances of non-compliance with laws and regulations, including gaining an understanding of where they considered there was a susceptibility to fraud;
- Our audit planning identified fraud risks in relation to management override of controls, the inappropriate or incorrect recognition of revenue, and the accounting for the assets held for sale (assessed as a Key audit matter above). We carried out procedures to check that revenue was recognised in the correct period. 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;
- 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; and
- We discussed the risks of fraud at planning and communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and component auditors, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 May 2022. 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

Date: 29 September 2022

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 2022
(All amount in £, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Intangible assets	14	11,810	2,394
Property, plant and equipment	15	173,369,128	172,716,040
Right-of-use assets	15	36,548	-
Investments		2,113,307	-
Other long-term assets	16	12,140	69,853
Restricted cash	19	10,427,847	8,194,412
		185,970,780	**180,982,699**
Current assets			
Inventories	18	10,465,820	12,186,644
Trade and other receivables	17	8,607,935	14,829,989
Other short-term assets	16	26,182,923	17,805,554
Current tax assets (net)		1,250,086	1,131,342
Restricted cash	19(b)	2,392,104	3,219,356
Cash and cash equivalents	19(a)	7,691,392	8,920,952
Assets held for sale	7(a), 7(b)	13,497,027	16,425,368
		70,087,287	**74,519,205**
Total assets		**256,058,067**	**255,501,904**
Equity and liabilities			
Equity			
Share capital	20	58,909	58,909
Share premium	20	131,451,482	131,451,482
Other components of equity		(10,221,248)	(12,735,470)
Retained earnings		47,904,448	41,910,280
Equity attributable to owners of the Company		**169,193,591**	**160,685,201**
Non-controlling interests		872,663	881,869
Total equity		**170,066,254**	**161,567,070**
Liabilities			
Non-current liabilities			
Borrowings	22	9,759,610	22,260,206
Non-Convertible Debentures	22	20,126,738	19,840,089
Trade and other payables	23	630,358	607,702
Other liabilities		36,228	-
Deferred tax liabilities (net)	13	17,029,927	12,994,371
		47,582,861	**55,702,368**
Current liabilities			
Borrowings	22	13,399,429	4,510,358
Trade and other payables	23	24,440,324	32,495,799
Other liabilities		569,199	1,226,309
Liabilities classified as held for sale	7	-	-
		38,408,952	**38,232,466**
Total liabilities		**85,991,813**	**93,934,834**
Total equity and liabilities		**256,058,067**	**255,501,904**

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

The financial statements were authorised for issue by the board of directors on 29 September 2022 and were signed on its behalf by:

N Kumar	Arvind Gupta	Dmitri Tsvetkov	Ajit Pratap Singh
Non-Executive Chairman[1]	Chairman[1]	Chief Financial Officer[2]	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 2022
(All amount in £, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue	8	80,067,032	93,823,933
Cost of revenue	9	(56,500,964)	(56,893,065)
Gross profit		**23,566,068**	**36,930,868**
Other Operating income	10(a)	-	9,420,712
Other income	10(b)	8,054,865	1,921,546
Distribution cost		(3,894,563)	(4,791,056)
General and administrative expenses		(6,316,484)	(7,256,153)
Expected credit loss on trade receivables	28	-	(3,025,055)
Depreciation and amortization		(5,333,531)	(5,705,538)
Operating profit		**16,076,355**	**27,495,324**
Finance costs	11	(5,356,089)	(6,803,137)
Finance income	12	2,285,364	868,439
Profit before tax		**13,005,630**	**21,560,626**
Tax expense	13	(4,097,184)	(8,447,699)
Profit for the year from continued operations		**8,908,446**	**13,112,927**
(Loss)/Gain from discontinued operations, including Non-Controlling Interest	7	(2,928,341)	999,398
Profit for the year		**5,980,105**	**14,112,325**
Profit for the year attributable to:			
Owners of the Company		5,994,168	14,091,807
Non – controlling interests		(14,063)	20,518
		5,980,105	**14,112,325**
Earnings per share from continued operations			
Basic earnings per share (in pence)	25	2.23	3.27
Diluted earnings per share (in pence)		2.23	3.25
Earnings/(Loss) per share from discontinued operations			
Basic (Loss)/Earnings per share (in pence)	25	(0.73)	0.25
Diluted (Loss)/Earnings per share (in pence)		(0.73)	0.25
Earnings per share			
-Basic (in pence)	25	1.50	3.52
-Diluted (in pence)		1.50	3.50
Other comprehensive income / (loss)			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		2,319,444	(12,860,261)
Items that will be not reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations, relating to non-controlling interests		4,857	(13,322)
Total other comprehensive income / (loss)		**2,324,301**	**(12,873,583)**
Total comprehensive income		**8,304,406**	**1,238,741**
Total comprehensive income / (loss) attributable to:			
Owners of the Company		8,313,612	1,231,546
Non-controlling interest		(9,206)	7,196
		8,304,406	**1,238,741**

The notes are an integral part of these consolidated financial statements

Consolidated statement of changes in equity
For the Year ended 31 March 2022
(All amount in £, unless otherwise stated)

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

The notes are an integral part of these consolidated financial statements

Consolidated statement of cash flows
For the Year ended 31 March 2022
(All amount in £, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities			
Profit before income tax including discontinued operations		**10,077,289**	**22,560,024**
Adjustments for:			
(Profit) / Loss from discontinued operations, net	7	2,928,341	(999,398)
Unrealised foreign exchange loss	9(d)	184,880	46,931
Financial costs	11	5,171,209	6,756,206
Financial income	12	(2,285,364)	(864,156)
Share based compensation costs	21	194,778	535,247
Depreciation and amortization		5,333,531	5,705,538
Expected credit loss on Trade receivables	28	-	3,025,055
Changes in working capital			
Trade and other receivables		6,294,982	7,404,759
Inventories		1,854,857	(1,654,539)
Other assets		(3,283,261)	4,976,235
Trade and other payables		(9,121,460)	(7,106,516)
Other liabilities		(969,676)	490,713
Cash generated from continuing operations		**16,380,106**	**40,876,099**
Taxes paid		(48,554)	(709,277)
Cash provided by operating activities of continuing operations		16,331,552	40,166,822
Cash used for operating activities of discontinued operations		-	-
Net cash provided by operating activities		**16,331,552**	**40,166,822**
Cash flows from investing activities			
Purchase of property, plant and equipment (including capital advances)		(3,534,707)	(506,222)
Interest received		2,285,364	864,156
Movement in restricted cash		(1,213,769)	(4,655,096)
Purchase of investments		(6,760,520)	(25,250,994)
Cash used in investing activities of continuing operations		(9,223,632)	(29,548,156)
Net cash used in investing activities		**(9,223,632)**	**(29,548,156)**
Cash flows from financing activities			
Proceeds from borrowings (net of costs)		-	21,981,043
Repayment of borrowings		(3,909,695)	(27,938,844)
Finance costs paid		(4,528,565)	(5,812,498)
Cash used in financing activities of continuing operations		(8,438,260)	(11,770,299)
Cash used in financing activities of discontinued operations		-	-
Net cash used in financing activities		**(8,438,260)**	**(11,770,299)**
Net decrease in cash and cash equivalents from continuing operations		(1,330,340)	(1,151,633)
Net decrease in cash and cash equivalents from discontinued operations		-	-
Net decrease in cash and cash equivalents		**(1,330,340)**	**(1,151,633)**
Cash and cash equivalents at the beginning of the year		8,920,954	3,438,830
Cash and cash equivalents on deconsolidation		-	(28,560)
Exchange differences on cash and cash equivalents		100,781	6,662,317
Cash and cash equivalents of the discontinued operations		-	-
Cash and cash equivalents at the end of the year		**7,691,395**	**8,920,954**

Consolidated statement of cash flows
For the Year ended 31 March 2022 (continued)
(All amount in £, unless otherwise stated)

Disclosure of Changes in financing liabilities :

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

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

1 Nature of operations

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

2 Statement of compliance

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

3 General information

OPG Power Ventures Plc, a limited liability corporation, is the Group's ultimate parent Company and is incorporated and domiciled in the Isle of Man. The address of the Company's registered Office, which is also the principal place of business, is 55 Athol street, Douglas, Isle of Man IM1 1LA. The Company's equity shares are listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

The Consolidated Financial statements for the year ended 31 March 2022 were approved and authorised for issue by the Board of Directors on 29 September 2022.

4 Recent accounting pronouncements

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

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

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

b) Changes in accounting Standards

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

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

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

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

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

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

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

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

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

v Amendments to IFRS 4, "Extension of the temporary exemption from IFRS 9"

"Deferral of initial application of IFRS 9 for insurers"

c) Standards and Interpretations Not Yet Applicable

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

i Amendments to IAS 16-proceeds before intended use

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

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

"Clarification that all costs directly attributable to a contract must be considered when determining the cost of fulfilling the contract."

iii Amendments to IFRS 3-Reference to the Conceptual Framework

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

iv Annual Improvements Project-Annual Improvements to IFRSs 2018-2020 Cycle

Minor amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41.

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

The new IFRS 17 standard governs the accounting for insurance contracts and supersedes IFRS 4.

vi Amendment to IFRS 17-Initial Application of IFRS 17 and IFRS 9-Comparative Information

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

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

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

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

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

ix Amendments to IAS 8-Definition of Accounting Estimates

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

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

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

5 Summary of significant accounting policies

a) Basis of preparation

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

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

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

Going Concern

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

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

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

b) Basis of consolidation

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

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

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

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

c) Investments in associates and joint ventures

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

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

d) List of subsidiaries, joint ventures, and associates

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

i) Subsidiaries

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

ii) Joint ventures - Assets Held for sale

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

iii) Associates- Assets Held for sale

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

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.

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

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

Interest and dividend

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

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) until realized. Realized gains and losses are determined by analyzing each transaction individually. Debt instruments that do not exclusively serve to collect contractual cash flows or to both generate contractual cash flows and sales revenue, or whose cash flows do not exclusively consist of interest and principal payments are measured at fair value through profit and loss (FVPL). For equity instruments that are held for trading purposes the Group has uniformly exercised the option of recognizing changes in fair value through profit or loss (FVPL). Refer to note 29""Summary of financial assets and liabilities by category and their fair values"".”

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

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.

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.

m) Leases

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

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

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

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

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

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

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

n) 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.

o) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any 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.

p) 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.

q) 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.

r) 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.

s) 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.

t) Other provisions and contingent liabilities

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

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

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

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

u) 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.

v) 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.

w) 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.

x) Segment reporting

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

6 Significant accounting judgements, estimates and assumptions

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

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

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

a) Judgements

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

Non-current assets held for sale and discontinued operations

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

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

Recoverability of deferred tax assets

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

b) Estimates and uncertainties:

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

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

Trade Receivables

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

Assets held for sale - Financial assets measured at FVPL

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

Financial assets measured at FVPL

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

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

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

7 (Loss)/Profit from discontinued operations

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

		Assets Held for Sale		Liabilities classified as held for sale		(Loss)/Profit from discontinued operations	
		At 31 March 2022	At 31 March 2021	At 31 March 2022	At 31 March 2021	For FY 22	For FY 21
i	Interest in Solar entities Note 7(b)	13,497,027	16,425,368	-	-	-	-
ii	Share of (Loss)/Profit on fair value of investments, in Solar entities Note 7(b)	-	-	-	-	(2,928,341)	117,710
iii	Gain on deconsolidation of Solar entities	-	-	-	-	-	881,688
	Total	**13,497,027**	**16,425,368**	**-**	**-**	**(2,928,341)**	**999,398**

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

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

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

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

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

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

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

8 Segment Reporting

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

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

Segmental information disclosure

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

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

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

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

	31 March 2022	**31 March 2021**
Salaries and wages	2,247,996	2,139,303
Employee benefit costs *	217,715	228,112
Long Tern Incentive Plan (Note 21)	194,778	535,247
Total	**2,660,589**	**2,902,662**

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

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

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

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

10 Other operating income and expenses

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

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

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

11 Finance costs

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

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

12 Finance income

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

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

13 Tax expenses

Tax Reconciliation

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

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

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

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

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

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

	31 March 2022	**31 March 2021**
Deferred income tax assets		
Unused tax losses brought forward and carried forward	-	-
MAT credit entitlement	11,985,655	12,374,534
	11,985,655	12,374,534
Deferred income tax liabilities		
Property, plant and equipment	29,015,582	25,368,905
	29,015,582	25,368,905
Deferred income tax liabilities, net	**17,029,927**	**12,994,371**

Movement in temporary differences during the year

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

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

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

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

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

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

15 Property, plant and equipment

The property, plant and equipment comprises of:

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

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

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

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

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

16 Other Assets

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

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

17 Trade and other receivables

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

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 28 "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.

18 Inventories

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

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

19 Cash and cash equivalents and Restricted cash

a Cash and short term deposits comprise of the following:

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

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

b Restricted cash

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

20 Issued share capital

Share Capital

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

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

Reserves

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

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

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

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

21 Share based payments

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

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

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

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

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

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

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

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

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

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

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

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

22 Borrowings

The borrowings comprise of the following:

	Interest rate (range %)	Final maturity	31 March 2022	31 March 2021
Borrowings at amortised cost	9.9-10.85[1]	June 2024	23,159,039	26,770,564
Non-Convertible Debentures at amortised cost	9.85	June 2023	20,126,738	19,840,089
Total			**43,285,777**	**46,610,653**

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

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

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

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

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

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

23 Trade and other payables

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

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

24 Related party transactions

Key Management Personnel:

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

Related parties with whom the Group had transactions during the period

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

Summary of transactions with related parties

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

Summary of balance with related parties

Name of the party	Nature of balance	31 March 2022	31 March 2021
Padma Shipping Limited	Investment	3,448,882	3,448,882
Padma Shipping Limited	Advances	1,727,418	1,727,418
Padma Shipping Limited	Impairment provision	(5,176,300)	(5,176,300)
Avanti Solar Energy Private Limited	Investment	4,863,575	4,766,864
Avanti Solar Energy Private Limited	Trade payable	-	(67,391)
Avanti Solar Energy Private Limited	Advance	538,038	6,022
Mayfair Renewable Energy Private Limited	Investment	5,277,364	5,352,890
Mayfair Renewable Energy Private Limited	Trade payable	(52,035)	(51,294)
Mayfair Renewable Energy Private Limited	Advance	-	7,242
Avanti Renewable Energy Private Limited	Investment	5,804,055	5,895,541
Avanti Renewable Energy Private Limited	Trade payable	-	(147,583)
Avanti Renewable Energy Private Limited	Advance	298,745	9,047
Brics Renewable Energy Private Limited	Investment	362,664	410,073
Impairment provisions - Investments in Solar (Associates)	Investment	(2,810,631)	-

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

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

25 Earnings per share

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

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

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

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

26 Directors remuneration

Name of directors	31 March 2022	31 March 2021
Arvind Gupta	-	-
Avantika Gupta	59,043	60,000
Dmitri Tsvetkov	150,000	150,000
Jeremy Warner Allen	25,000	25,000
N Kumar	22,500	22,500
Mike Grasby (from February 2021)	22,500	2,562
Total	**279,043**	**260,062**

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

27 Commitments and contingencies

Operating lease commitments

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

Non-cancellable operating lease rentals are payable as follows:

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

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

Contingent liabilities

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

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

Guarantees and Letter of credit

The Group has provided bank guarantees and letter of credits (LC) to customers and vendors in the normal course of business. The LC provided as at 31 March 2022: £13,964,728 (2021: £20,167,583) and Bank Guarantee (BG) as at 31 March 2022: £4,039,969 (2021: £2,575,878). LC are supporting accounts payables already recognised in statement of financial position. There have been no guarantees provided or received for any related party receivables or payables except for corporate guarantees issued to lenders of its associate solar entities of £21,760,986 (2021: £23,300,131). Working capital facilities limits, LCs and BGs are personally guaranteed by a director. BG are treated as contingent liabilities until such time it becomes probable that the Company will be required to make a payment under the guarantee. The Company provided a corporate guarantee to a director for his personal guarantees with respect to the Group.

28 Financial risk management objectives and policies

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

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

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

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

Market risk

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

The sensitivity analyses in the following sections relate to the position as at 31 March 2022 and 31 March 2021

The following assumptions have been made in calculating the sensitivity analyses:

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

Interest rate risk

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

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

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

Foreign currency risk

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

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

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

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

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

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

Credit risk analysis

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its financing activities, including short-term deposits with banks and financial institutions, and other financial assets. Further, the global economy has been severely impacted by the global pandemic Covid-19 (Note 5(a)).

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

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

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

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

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

31 March 2021	Within Credit period	Days past due			Total
		More than 30 days	More than 60 days	More than 180 days	
Expected loss rate	0%	0%	0%	33.02%	58.76%
Gross carrying amount - Trade Receivables -TANGEDCO	1,651,140	1,686,225	2,218,844	15,097,765	20,653,974
Gross carrying amount - Trade Receivables -Others	7,862,837	1,154,009	460,326	5,831,930	15,309,103
General loss allowance	-	-	252,404	6,910,677	7,163,081
Specific loss allowance				13,970,007	13,970,007
Total Loss allowance	**-**	**-**	**252,404**	**20,880,684**	**21,133,088**

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

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

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

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

Liquidity risk analysis

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

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

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

As at 31 March 2022	Current	Non-Current		Total
	Within 12 months	1-5 years	Later than 5 years	
Borrowings	13,399,429	9,759,610	-	23,159,039
Non-Convertible Debentures	-	20,126,738	-	20,126,738
Trade and other payables	24,440,324	630,358	-	25,070,682
Other liabilities	-	36,228	-	36,228
Other current liabilities	569,199	-	-	569,199
Total	**38,408,952**	**30,552,934**	**-**	**68,961,886**

As at 31 March 2021	Current	Non-Current		Total
	Within 12 Months	1-5 Years	Later than 5 years	
Borrowings	4,510,358	22,260,206	-	26,770,564
Non-Convertible Debentures	-	19,840,089	-	19,840,089
Interest on Borrowings	6,803,137	7,816,034	-	14,619,171
Trade and other payables	32,495,799	607,702	-	33,103,501
Other current liabilities	1,226,309	-	-	1,226,309
Total	**45,035,603**	**50,524,031**	**-**	**95,559,634**

Capital management

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

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

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

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

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

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

The Capital for the reporting periods under review is summarised as follows:	31 March 2022	31 March 2021
Total equity	170,066,254	161,567,070
Less: Cash and cash equivalent	(7,691,392)	(8,920,952)
Capital	**162,374,862**	**152,646,118**
Total equity	170,066,254	161,567,070
Add: Borrowings	43,285,777	46,610,653
Overall financing	**213,352,031**	**208,177,723**
Capital to overall financing ratio	**0.76**	**0.73**

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

	Carrying amount		Fair value	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Financial assets measured at amortised cost				
Cash and cash equivalents [1]	7,691,392	8,920,952	7,691,392	8,920,952
Restricted cash [1]	12,819,951	11,413,768	12,819,951	11,413,768
Current trade receivables [1]	8,607,935	14,829,989	8,607,935	14,829,989
Other long-term assets	12,140	69,853	12,140	69,853
Other short-term assets	2,724,296	2,736,262	2,724,296	2,736,262
Financial instruments measured at fair value through profit or loss				
Other short term assets - (Note 16 & 19) Investments in Mutual funds	23,458,627	15,069,292	23,458,627	15,069,292
	55,314,341	**53,040,116**	**55,314,341**	**53,040,116**
Financial liabilities measured at amortised cost				
Term loans [2]	23,159,039	26,770,564	23,159,039	26,770,564
Non-Convertible Debentures [2]	20,126,738	19,840,089	20,126,738	19,840,089
Current trade and other payables [1]	24,440,324	32,495,799	24,440,324	32,495,799
Provision for pledged deposits	36,228	-	36,228	-
Non-current trade and other payables [2]	630,358	607,702	630,358	607,702
	68,392,687	**79,714,154**	**68,392,687**	**79,714,154**

The fair value of the financial assets and liabilities are included at the price that would be received to sell an asset or paid to transfer a liability (i.e. 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				
2022				
Quoted securities	23,458,627	-	-	23,458,627
Total	**23,458,627**	**-**	**-**	**23,458,627**
2021				
Quoted securities	15,069,292	-	-	15,069,292
Total	**15,069,292**	**-**	**-**	**15,069,292**

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

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

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

30 Ultimate controlling party

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

Corporate Directory

Nominated Adviser and Broker
Cenkos Securities Plc
6-7-8 Tokenhouse Yard
London
EC2R 7AS

Financial PR
Tavistock Communications
18 St. Swithin's Lane
EC4N 8AD

Administrators and Company Secretary
FIM Capital Limited
55 Athol Street
Douglas
Isle of Man
IM1 1LA

Auditors
BDO LLP
Arcadia House
Maritime Walk
Ocean Village
Southampton
SO143TL

Registrars
Link Market Services (Isle of Man) Limited
Clinch's House
Lord Street
Douglas
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

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 Rs: 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 Report

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