

March 31, 2021 and other comprehensive income and other financial information for the year ended on that date.

Basis of Opinion

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

Emphasis of Matter

We draw attention to the following matters:

- a) Accounting of sales is on provisionally approved tariff.
- b) There are certain balances which are subject to reconciliation / confirmation and respective consequential adjustments.
- c) On the statement which describes the impact of Covid-19 pandemic by the management on the business and its associated financial risk. (note no:-7)

Our opinion is not modified in respect of these matters.

Management's Responsibilities for the Consolidated Financial Results

These quarterly financial results as well as year to date consolidated financial results have been prepared on the basis of the consolidated financial statements.

The Holding Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit for the year & quarter ended March 31, 2021 and other comprehensive income and other financial information of the



group in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from



fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company & such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any Significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all



relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- a) We did not audit financial statements of subsidiary "*SJVN Thermal Private Limited*", whose financial statements reflect net assets of Rs. 214,923 Lakhs as at 31 March 2021; Net Income of Rs. 114 Lakhs for the year ended on that date, as considered in Consolidated Financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Statements, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.
- b) We did not audit financial statements of subsidiary "*SJVN Arun-III Power Development Company Private Limited*", whose financial statements reflect net assets of Rs. 157,410 Lakhs as at 31 March 2021; Net Profit of Rs. 1,159 Lakh for the year ended on that date, as considered in Consolidated Financial results. The statement also include the Group's share of net profit (including other comprehensive income) of Rs. 383 Lakhs for the year ended 31 March 2021, as considered in the consolidated financial results in respect of two joint ventures. Financial statements of this subsidiary and joint ventures are unaudited and have been furnished to us by the management of the Holding Company and our opinion on the statement, in so far as it relates to the aforesaid joint ventures and subsidiary are based solely on such unaudited financial statements/ financial information. In our opinion and according to the explanations given to us by the management of the Holding Company, these financial statements/ financial information are not material to the Group.
- c) The Consolidated Financial Results include the results for the quarter ended March 31, being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to December 31, of the relevant financial year. The year to date figures pertaining to the period up to 31st December 2020 only were reviewed by us as required under Listing Regulations. The figures for the year ended 31st March 2020 as stated in Note 6 of the financial results has however been restated and therefore the results for the quarter ended 31st March 2020 has been derived with respect to the figures reclassified as above.

