S.R. BATLIBOI & CO. LLP
Chartered Accountants

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To the Board of Directors of Clean Renewable Power (Mauritius) Pte. Ltd ("CRPML")

Report on Special Purpose Combined Financial Statement of Restricted Group

Opinion

We have audited the accompanying special purpose combined financial statement of Restricted Group which consist of Clean Renewable Power (Mauritius) Pte. Ltd ("the Company"), a wholly owned subsidiary of Hero Futures Energies Asia Pte Ltd (the "Parent") and certain entities under common control of the Parent as listed in note 1 to the special purpose combined financial statement (collectively known as "the Restricted Group"), which comprise the special purpose combined Balance Sheet as at March 31, 2021 and March 31, 2020, the special purpose combined statements of Profit and Loss including special purpose other comprehensive income, the special purpose combined Cash Flow Statements and the special purpose combined Statement of Changes in Equity for the year ended March 31, 2021 and March 31, 2020 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "special purpose combined financial statement"). These special purpose combined financial statement have been prepared in accordance with the basis of preparation as set out in note 2 to the special purpose combined financial statement.

In our opinion, the accompanying special purpose combined financial statements of the Company for the year ended March 31, 2021 and March 31, 2020 are prepared in all material respects, in accordance with the basis of preparation described in Note 2 to these special purpose combined financial statement.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) as applicable in India. 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 are independent of the Restricted Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in India, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction in distribution and Use

We draw attention to the Note 1 and 2 of the accompanying special purpose combined financial statement, which describes that the Restricted Group has not formed a separate legal group of entities during the year ended March 31, 2021 and March 31, 2020, which also describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's special purpose combined financial statement may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a separate group of entities during the periods presented. The special purpose combined financial statement has been prepared solely to comply with financial reporting requirements under the indenture governing the Senior Notes.

Our Opinion is not modified in respect of this matter.

This report is not to be used, referred to or distributed for any other purpose except without our prior consent in writing.

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Other matter

The comparative financial information of one of the entity (Clean Renewable Power (Mauritius) Pte. Ltd) for the year ended March 31, 2020, included in these special purpose combined financial statement, were audited by the predecessor auditor who expressed an unmodified opinion on that financial information on August 14, 2020.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of these special purpose combined financial statement in accordance with the basis of preparation as set out in note 2 to the special purpose combined financial statement and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has 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 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 these financial statements.

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 financial statements, 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Parvin Tulsyan
Partner
Membership Number: 108044
UDIN: 21108044AAAAIF5839
Place of Signature: Gurugram
Date: July 28, 2021

S. R. BATLIBOI & CO. LLP * GURUGRAM *

Restricted Group
Special Purpose Combined Balance Sheet as at March 31, 2021 and March 31, 2020
(All amounts are in Indian Rupees (in million), unless otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	28,893.75	30,345.32
(b) Capital work-in-progress	4	42.84	101.80
(c) Other intangible assets	5	129.63	137.61
(d) Financial assets			
Other financial assets	9	1,049.23	907.67
(e) Deferred tax assets (net)	30	500.91	425.63
(f) Other non-current assets	10	200.86	216.75
(g) Non-current tax assets (net)	11	82.72	64.86
		30,899.94	32,199.64
Current assets			
(a) Inventories	12	4.30	-
(b) Financial assets			
(i) Trade receivables	6	2,657.27	1,956.34
(ii) Cash and cash equivalents	7	4,723.96	914.75
(iii) Other bank balances	8	22,592.89	71.27
(iv) Other financial assets	9	507.03	521.99
(c) Other current assets	10	138.79	78.40
		30,624.24	3,542.75
Total assets		61,524.18	35,742.39
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	3,634.10	3,032.76
(b) Other equity	14	(728.41)	(280.46)
		2,905.69	2,752.30
LIABILITIES			
Non- current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	29,197.86	26,399.86
(ii) Other financial liabilities	17	-	43.31
(b) Provisions	19	58.80	51.72
(c) Deferred tax liabilities (net)	30	570.25	602.44
(d) Other non-current liabilities	18	581.84	642.54
		30,408.75	27,739.87
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	1,572.43	968.98
(ii) Trade payables	16		
- total outstanding dues of micro enterprises and small enterprises		4.37	3.62
- total outstanding dues of creditors other than micro enterprises and small		1,016.48	795.87
(iii) Other financial liabilities	17	25,535.81	3,407.01
(b) Other current liabilities	18	77.77	70.06
(c) Provisions	19	2.88	0.36
(d) Liabilities for current tax (net)	20	-	4.31
		28,209.74	5,250.21
Total equity and liabilities		61,524.18	35,742.39
Basis of preparation, measurement and significant accounting policies	2		

The acentitying notes form an integral part of these Special Purpose Combined financial statements
As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP * GURUGRAM *

per Pravin Tulsyan
Partner
Membership Number:108044

Place: Gurugram
Date: July 28, 2021

For and on behalf of the Restricted Group

Neeraj Nawaz
Director

Manogaran Thamothiram
Director

Place: Mauritius
Date : July 27, 2021

Restricted Group
Special Purpose Combined Statement of Profit and Loss for the years ended March 31, 2021 and March 31, 2020
(All amounts are in Indian Rupees (in million), unless otherwise stated)

	Particulars	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
I	Revenue from contract with customers	21	4,737.68	5,115.45
II	Other income	22	242.74	273.90
III	**Total income (I +II)**		4,980.42	5,389.35
IV	**Expenses**			
	Employee benefits expense	23	101.63	90.81
	Finance costs	24	3,409.89	3,088.60
	Depreciation and amortization expense	25	1,400.81	1,406.39
	Impairment of assets	25A	58.96	-
	Other expenses	26	1,113.38	887.80
	Total expenses		6,084.67	5,473.60
V	**Loss before tax (III-IV)**		(1,104.25)	(84.25)
VI	**Tax expense:**			
	a) Current tax	27	10.07	87.86
	b) Adjustment in respect of current tax relating to earlier years	27	0.10	(0.38)
	c) Deferred Tax (credit)/ charge	27	(169.52)	89.00
	Total tax (credit)/expense		(159.35)	176.48
VII	**Loss for the year (V-VI)**		(944.90)	(260.73)
VIII	**Other comprehensive income**			
	Other Comprehensive Income that may be reclassified subsequently to statement of profit and loss			
	Exchange Difference on translation of foreign operations	28	1.53	(5.19)
	Net comprehensive income that will be reclassified to statement of profit or loss in subsequent year		1.53	(5.19)
	Other comprehensive income not to be reclassified to statement of profit and loss in subsequent years:			
	Re-measurement gains/(losses) on defined benefit plans	28	0.62	(1.14)
	Income tax effect	28	(0.10)	0.29
	Net other comprehensive income/ (expense) not to be reclassified to statement of profit and loss in subsequent year		0.52	(0.85)
	Other comprehensive income /(expense) for the year, net of tax		2.05	(6.04)
IX	**Total comprehensive expense of the year, net of tax (VII+VIII)**		(942.85)	(266.77)
	Basis of preparation, measurement and significant accounting policies	2		

The acentityinq notes form an integral part of these Special Purpose Combined financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP * GURUGRAM *

per Pravin Tulsyan
Partner
Membership Number:108044

Place: Gurugram
Date: July 28, 2021

For and on behalf of the Restricted Group

Neeraj Nawaz
Director

Manogaran Thamothiram
Director

Place: Mauritius
Date : July 27, 2021

Restricted Group
Special Purpose Combined Statement of Changes in Equity for the years ended March 31, 2021 and March 31, 2020
(All amounts are in Indian Rupees (in million), unless otherwise stated)

A. Equity Share Capital*

Equity shares of Rs 10 each issued, subscribed and fully paid	Number of Equity Shares	Amount
As at April 01, 2019	302,232,170	3,022.33
Changes in Equity Share Capital during the year	146,360	10.43
As at March 31, 2020	302,378,530	3,032.76
Changes in Equity Share Capital during the year	60,017,921	601.34
As at March 31, 2021	362,396,451	3,634.10

* Share capital represents the aggregate amount of share capital of entities forming part of the Restricted Group as at the respective period and does not necessarily represent legal share capital of the Restricted Group.

B. Other Equity*

	Attributable to equity holders							
	Securities premium	Debenture Redemption Reserve	Invested Capital	Equity component of compulsorily convertible debentures	Deemed Capital Contribution	Foreign Currency Translation Reserve	Retained Earnings	Total equity
As at April 1, 2019	-	209.58	463.31	603.88	10.96	-	(1,348.30)	(60.57)
Add: Loss for the year	-	-	-	-	-	-	(260.73)	(260.73)
Add: Other comprehensive expense	-	-	-	-	-	-	(0.85)	(0.85)
Add: Additions during the year	-	-	-	(5.07)	52.18	(4.99)	-	52.12
Less: transferred to share capital	-	-	-	-	(10.43)	-	-	(10.43)
Less: transferred to Foreign currency translation reserve	-	-	-	-	0.20	(0.20)	-	-
As at March 31, 2020	-	209.58	463.31	598.81	62.91	(5.19)	(1,609.88)	(280.46)
Add: Loss for the year	-	-	-	-	-	-	(944.90)	(944.90)
Add:- Other comprehensive expense	-	-	-	-	-	-	0.52	0.52
Add: Additions during the year	261.40	-	-	-	300.32	1.60	-	563.32
Less: Share Issue Expenses	(3.60)	-	-	-	-	-	-	(3.60)
Less: transferred to share capital	-	-	-	-	(1.34)		-	(1.34)
Less: transferred to Foreign currency translation reserve	-	-	-	-	0.07	(0.07)	-	-
Less: Deferred Tax charge	-	-	-	-	(61.95)	-	-	(61.95)
As at March 31, 2021	257.80	209.58	463.31	598.81	300.01	(3.66)	(2,554.26)	(728.41)

*Other equity represents the aggregate amount of other equity of identified entities of Restricted Group as of the respective period and does not necessarily represent legal other equity for the purpose of the Restricted Group.

Basis of preparation, measurement and significant accounting policies 2

The acentitying notes form an integral part of these Special Purpose Combined financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Registration Number: 301003E/E300005

per Pravin Tulsyan
Partner
Membership Number:108044

S. R. BATLIBOI & CO. LLP * GURUGRAM *

Place: Gurugram
Date: July 28, 2021

For and on behalf of the Restricted Group

Neeraj Nawaz
Director

Manogaran Thamothiram
Director

Place: Mauritius
Date : July 27, 2021

Restricted Group
Special Purpose Combined Statement of Cash Flows for the year ended March 31, 2021 and March 31, 2020
(All amounts are in Indian Rupees (in million), unless otherwise stated)

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
I. Cash flow from operating activities			
Loss before tax		(1,104.25)	(84.24)
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		1,400.81	1,406.39
Impairment of assets (refer note 25A)		58.96	-
Balances written off		3.06	-
Amortisation of government grant		(24.72)	(24.72)
Liability no longer required written back		(21.05)	-
Gain on sale of units of mutual funds		-	(27.28)
Operation and maintenance reserve written back		-	(71.86)
Unwinding of discount on deposits		(3.64)	(2.17)
Finance costs		3,409.89	3,088.60
Finance income		(121.73)	(114.03)
Provision for doubtful receivables and advances		43.05	-
Exchange fluctuation expense/ (gain)		-	30.69
Lease rent concession (refer note 34)		(1.44)	-
Gain on termination of leases (refer note 34)		(3.90)	-
Expense on employee stock option plan		-	0.90
Operation and maintenance reserve accretion		(20.38)	(9.96)
Mark to market loss on derivative instruments		-	(7.54)
		4,718.91	**4,269.02**
Operating profit before working capital changes		**3,614.66**	**4,184.78**
Change in working capital:			
(Increase) in trade and other receivables		(705.32)	(132.50)
(Increase) in inventories		(4.30)	-
Increase/ (decrease) in trade and other payables		242.41	(108.74)
(Increase)/ decrease in other financial assets		(124.97)	(2,110.79)
(Increase)/ decrease in other assets		(87.19)	17.95
Increase/ (Decrease) in other financial liabilities		930.18	74.68
Increase/ (Decrease) in other liabilities		(1.93)	40.55
Change in working capital		**248.88**	**(2,218.86)**
Cash generated from operations		**3,863.54**	**1,965.92**
Less : Taxes paid/ (net of refunds)		**(32.32)**	**(82.75)**
Net cash flow from operating activities		**3,831.22**	**1,883.17**
II. Cash flow from investing activities:			
Net Proceeds from sale of mutual funds		-	993.92
Purchase of property, plant and equipment		(35.94)	(255.05)
Proceeds from sale of property, plant and equipment		-	5.69
Fixed deposits with banks (net)		9.89	93.99
Balance with banks (net) (Refer note 8)		(22,682.48)	-
Interest received		35.09	31.88
Loan to related parties		-	880.00
Net cash generated from/ (used in) investing activities:		**(22,673.44)**	**1,750.43**
III. Net cash flow from financing activities:			
Proceeds from equity share capital (net of share issue expense)		857.80	-
Proceeds from capital contribution		54.74	1.27
Payment of principal portion of lease liabilities		(12.13)	(60.62)
Issue of Compulsorily Convertible Cumulative Debentures		1,349.60	-
Net (repayment)/ proceeds of working capital facilities		41.50	(1,767.44)
Repayment of borrowings		(2,909.01)	(1,067.75)
Proceeds from 4.25% Senior secured notes		26,960.01	-
Proceeds from borrowings other than 4 25% Senior secured notes		155.00	1,931.54
Interest paid		(3,735.18)	(2,887.47)
Net cash generated from/ (used in) financing activities		**22,762.33**	**(3,860.47)**
Net change in Cash & cash equivalents (I+II+III)		3,920.11	(216.87)
Cash and cash equivalents as at the beginning of the year (a)		700.57	917.44
Effects of exchange rate changes on cash and cash equivalents (b)		41.23	-
Cash and cash equivalents as at the end of the year (c)		4,579.45	700.57
Net change in Cash & cash equivalents (c+b-a)		**3,920.11**	**(216.87)**
Basis of preparation, measurement and significant accounting policies	2		

Note:
The Cash Flow statement has been prepared under the indirect method as set out in the Ind AS 7" Statement of Cash Flows"
* Refer note 42 for change in financing activities disclosure pursuant to amendment to Ind AS 7

The acentitying notes form an integral part of these Special Purpose Combined financial statements
As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP GURUGRAM

per **Pravin Tulsyan**
Partner
Membership Number: 108044

Place: Gurugram
Date: July 28, 2021

For and on behalf of the Restricted Group

Neeraj Nawaz
Director

Manogaran Thamothiram
Director

Place: Mauritius
Date : July 27, 2021

1 Corporate Information

Clean Renewable Power (Mauritius) Pte. Ltd ("the CRPMPL" or "the entity") was incorporated on March 27, 2018 as a Private entity limited by shares incorporated under laws of Mauritius and a wholly-owned subsidiary of Hero Future Energies Asia Pte Ltd ("the Parent"). The entity and certain subsidiaries of Hero Future Energies Private Limited, collectively known as "Restricted Group" (as listed below), carry out business activities relating to generation of electricity through non-conventional renewable energy sources engaged in the ownership, maintenance, management of solar and wind power plants and generation of solar and wind energy based on long-term contracts (power purchase agreements or "PPA") with Indian government entities and commercial customers.

During the year ended March 31, 2021, the entity has issued 4.25% Senior secured notes to institutional investors and is listed on Singapore Exchange Securities Trading Limited (SGX-ST). Net proceeds of this offering is to be used to subscribe the onshore debt (rupee denominated external commercial borrowings in the form of bonds) to be issued by Indian entities of Restricted Group to replace existing Rupee and external debt of Restricted Group entities. Restricted Group entities are directly or indirectly under common control of the parent. CRPMPL and Indian entities of Restricted Group have been considered as "Restricted Group" for the purpose of financial reporting.

The Restricted Group entities which are under the common control of the Parent comprises the following entities:

Entities	Holding Company	% Holding	Country of incorporation
Clean Renewable Power (Mauritius) Pte. Ltd	Hero Future Energies Asia Pte. Ltd	100%	Mauritius
Clean Wind Power (Ratlam) Private Limited	Hero Wind Energy Private Limited	100%	India
Clean Wind Power (Satara) Private Limited	Hero Wind Energy Private Limited	100%	India
Clean Wind Power (Piploda) Private Limited	Hero Wind Energy Private Limited	100%	India
Clean Wind Power (Bableshwar) Private Limited	Hero Wind Energy Private Limited	100%	India
Bhilwara Green Energy Limited	Hero Wind Energy Private Limited	100%	India
Clean Solar Power (Dhar) Private Limited	Hero Solar Energy Private Limited	100%	India
Rajkot (Gujarat) Solar Energy Private Limited	Hero Solar Energy Private Limited	100%	India
Clean Solar Power (Gulbarga) Private Limited	Hero Solar Energy Private Limited	100%	India

The Special Purpose Combined Financial Statements were authorized for issue in accordance with a resolution of the directors on July 27, 2021.

1.1 Purpose of Special Purpose Combined Financial Statements

These are Special Purpose Combined financial statements, which have been prepared for the purpose of complying with reporting requirements under the indenture governing the 4.25% Senior secured notes. These Special Purpose Combined financial statements presented herein reflect the Restricted Group's results of operations, assets and liabilities and cash flows for the year presented. The basis of preparation and significant accounting policies used in preparation of these special purpose Combined financial statements are set out in note 2.1 and 2.2 below.

2 Basis of Preparation, Measurement and Significant Accounting Policies

2.1 Basis of Preparation:

The indenture governing the 4.25% Senior secured notes requires Restricted Group to prepare Special Purpose Combined financial statements of the Restricted Group for the purpose of submission to the bond holders. The Special Purpose Combined financial statements of the Restricted Group have been prepared in accordance with recognition and measurement principles laid down by the Indian Accounting Standards (Ind AS) (except Ind AS – 33 on Earnings Per Share) prescribed under section 133 of the Companies Act, 2013, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment Rules), 2016, issued thereunder and other accounting principles generally accepted in India and the guidance note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India (ICAI).

Management of the entity has prepared the Special Purpose Combined financial statements, which comprise the Special Purpose combined Balance Sheet as at March 31, 2021 and March 31, 2020, the Special Purpose Combined Statement of Profit and Loss including other comprehensive income, the Special Purpose Combined Statement of Cash Flows and Special Purpose Combined Statement of Changes in Equity for the year ended March 31, 2021 and March 31, 2020, a summary of the significant accounting policies and other explanatory information.

The items in the Special Purpose Combined financial statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements.

The Special Purpose Combined financial statements have been prepared on the accrual and going concern basis and the historical cost convention, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

As per the Guidance Note on Combined and Carve Out Financial Statements, the procedure for preparing Special Purpose Combined financial statements of the combining entities is the same as that for Special Purpose Combined financial statements as per the applicable Indian Accounting Standards. Accordingly, when Combined financial statements are prepared, intra-group transactions and profits or losses are eliminated. All the inter group transactions are undertaken on Arms Lengths basis. There is no allocation of expenses within the Restricted Group. The information presented in the Special Purpose Combined financial statements of the Restricted Group may not be representative of the position which may prevail after the transaction. The resulting financial position may not be that which might have existed if the combining businesses had been a stand-alone business.

Share capital and reserves disclosed in the Special Purpose Combined financial statements is not the legal capital and reserves of the Restricted Group and is the aggregation of the share capital and reserves of the individual combining entities. Income taxes are arrived at by aggregation of the tax expenses actually incurred by the combining businesses, after considering the tax effects of any adjustments which is in accordance with the Guidance Note on Combined and Carve-Out Financial Statements issued by the ICAI.

Accordingly, the procedures followed for the preparation of the Special Purpose Combined financial statements:
(a) Combined like items of assets, liabilities, equity, income, expenses and cash flows of the combining entities.
(b) Eliminated in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Restricted Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as fixed assets, are eliminated in full), any.

S. R. BATLIBOI & CO. LLP
GURUGRAM

These Special Purpose Combined financial statements may not be necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate Group of entities during the year presented or the Restricted Group's future performance.

The Special Purpose Combined financial statements include the operation of entities in the Restricted Group, as if they had been managed together for the year presented.

The preparation of financial information in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Restricted Group's accounting policies.

All intracompany transactions and balances within the Restricted Group have been eliminated in full. Transactions that have taken place with other related parties not forming part of the Restricted Group have been disclosed in accordance with Ind AS 24 Related Party Disclosures.

2.2 Basis of Combination:
The procedure for preparing Special Purpose Combined Financial Statements of the Restricted Group are stated below:

a)the Special Purpose Combined financial statements have been prepared using the principles of consolidation as per Ind AS 110—Special Purpose Combined Financial Statements, to the extent applicable.
b)The financial statements of all the companies were Combined by combining/adding like items of assets, liabilities, equity, income, expenses and cash flows.
c)Intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory) are eliminated in full;

d) The tax expense involves aggregation of the tax expenses actually incurred by the combining businesses in accordance with para 33 of the Guidance Note on Combined and Carve-Out Financial Statements.
e) Carrying amounts pertaining to all subsidiaries are Combined as they reflect in Special Purpose Combined financial statements of Hero Future Energies Private Limited in accordance with para 16 of the Guidance Note on Combined and Carve-out Financial Statements
f) The figures in the notes to accounts and disclosures have been Combined line by line and only transactions and balances between the companies that form part of Restricted Group have been eliminated.
g) Share capital represents the aggregate amount of share capital of entities forming part of the Restricted Group as at the respective date and does not necessarily represent legal share capital of the Restricted Group.

2.3 Summary of significant accounting policies

a) Current versus non-current classification
Assets and liabilities in the balance sheet are presented based on current/ non-current classification.
Assets:
An asset is treated as current when it is:
a) Expected to be realised or intended to be sold or consumed in normal operating cycle
b) Held primarily for the purpose of trading
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
All other assets are classified as non-current.

Liabilities:
A liability is current when:
(a) It is expected to be settled in normal operating cycle
(b) It is held primarily for the purpose of trading
(c) It is due to be settled within twelve months after the reporting period, or
(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle: The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The entities in the Restricted Group has identified twelve months as its operating cycle.

b) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the respective Restricted Group entity

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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The Restricted Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Restricted Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (Refer note 36 and 37).

The Restricted Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Cross currency interest rate swaps are valued at mark to market which uses valuation techniques and employs the use of market observable inputs. The valuation technique incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the currency, interest rate curves and forward rate curves of the underlying instrument.

At each reporting date, the management of the Restricted Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies of the Restricted Group.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Restricted Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:

- Quantitative disclosures of fair value measurement hierarchy (Refer note 37)
- Financial instruments (including those carried at amortised cost) (Refer note 36)

c) **Revenue Recognition**

Application of interpretation for Service Concession Arrangements (SCA):
Management has assessed applicability of Appendix C of Indian Accounting Standards 115: Service Concession Arrangements for the power purchase agreement which the Restricted Group entities have entered into. In assessing the applicability of SCA, the management has exercised significant judgement in relation to the underlying ownership of the assets, the attached risks and rewards of ownership, residual interest and the fact that secondary lease periods are not at nominal lease rentals etc. in concluding that the arrangements don't meet the criteria for recognition as service concession arrangements.

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Restricted Group expects to be entitled in exchange for those goods or services.

(i) Sale of power
Revenue from sale of power is recognised net of estimated rebates and other similar allowances over the time when the units of electricity is delivered.
Ind AS 115 supersedes Ind AS 11 Construction Contracts, Ind AS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.
Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

(ii) Generation based Incentive
Generation based incentive ('GBI') is recognized with reference to "Extension scheme for GBI for Grid connected Wind Power Projects dated September 4, 2013 whereby GBI would be available for wind turbines commissioned on or after April 1, 2012. Under the scheme, GBI will be provided to wind electricity producers @ Rs 0.50 per unit of electricity fed into 'the grid for a year not less than 4 years and a maximum year of 10 years with a cap of Rs. 100 lacs per MW. GBI is recognized on the basis of supply of units generated by the Restricted Group entities to the state electricity board from the eligible project in accordance with the scheme of the "Generation Based Incentive (GBI)".

(iii) Dividend and Interest Income
Dividend income is recognised when the right of the Restricted Group to receive dividend is established by the reporting date.
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Restricted Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Application of interpretation for Service Concession Arrangements (SCA):

Management has assessed applicability of Appendix C of Indian Accounting Standards 115: Service Concession Arrangements for the power purchase agreement which the Restricted Group entities have entered into. In assessing the applicability of SCA, the management has exercised significant judgement in relation to the underlying ownership of the assets, the attached risks and rewards of ownership, residual interest and the fact that secondary lease periods are not at nominal lease rentals etc. in concluding that the arrangements don't meet the criteria for recognition as service concession arrangements.

Contract balances:

Trade receivables
A receivable represents the Restricted Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (n) Financial instruments – initial recognition and subsequent measurement.

Trade receivables include unbilled revenue represents services rendered by the Restricted Group but not invoiced as at balance sheet date as the right to consideration is unconditional and only passage of time is required before payment of that consideration is due.

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d) **Foreign currencies**

Functional and presentational currency

The Restricted Group's Special Purpose Combined Financial Statements are presented in Indian Rupees (Rs.) which is also the functional currency of all the entities in the Restricted Group except for CRPMPL . Functional Currency of the Company is US Dollars (US$). Functional currency is the currency of the primary economic environment in which a Restricted Group operates and is normally the currency in which the Restricted Group primarily generates and expends cash. All the financial information presented in Rs million except where otherwise stated.

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Restricted Group at the functional currency spot rates at the date the transaction first qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.
Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(ii) Foreign Operations

The functional currency of the Company is the United States Dollar ("US$") and presentation currency for Special Purpose combined financial statement of Restricted Group is Indian rupees ("INR"). The Restricted Group entities which are having operations in India, use INR as the functional currency. The financial statements of the Company are translated into INR using the exchange rate as of the balance sheet date for assets and liabilities, historical exchange rates for equity transactions and average exchange rate for the year for income and expense items. Translation gains and losses are recorded in accumulated other comprehensive income or loss as a component of other equity.

e) **Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.
Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences , except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In the situations where one or more entities are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday year, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday year. Deferred tax in respect of temporary differences which reverse after the tax holiday year is recognized in the year in which the temporary differences originate. However, the Restricted Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first."

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Restricted Group will pay normal income tax during the specified year. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future year based on the internal projections of the Management. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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In situations where Restricted Group is entitled to a tax holiday under the Income-tax Act, 1961, enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday year. Deferred taxes in respect of temporary differences which reverse after the tax holiday year are recognized in the year in which the temporary differences originate. However, the Restricted Group restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

f) Government grant

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be compiled with. When the grant related to an expense item, it is recognized as income on a systematic basis over the years that the related costs, for which it is intended to compensate, are expensed. When the grant related to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When grants of non-monetary assets is received, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

The grants related to an expense item is presented as other income in the Statement of Profit and Loss. Thus, sale of emission reduction certificates have been recognised as other income.

Subsidy (Viability Gap Funding)

The Restricted Group receives Viability Gap Funding (VGF) for setting up of certain solar power projects. The Restricted Group records the VGF proceeds on fulfilment of the underlying conditions as deferred government grant. Such deferred grant is recognized over the year of useful life of underlying asset

g) Property, Plant and Equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Restricted Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Restricted Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in Statement of Profit and Loss as and when incurred.

Accordingly, the Restricted Group adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items recognised in the financial statements for the year ending immediately before the beginning of the first Ind AS financial reporting year pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the year. In other words, the Restricted Group do not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Derecognition

An item of property, plant and equipment and any significant part initially recognised 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 income statement when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

h) Intangible assets

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

i) Depreciation/amortization of fixed assets

Based on expert legal opinion, management is of the view that rates notified by the Central Electricity Regulatory Commission (CERC) or State Electricity Regulatory Commission (SERC) are not applicable to the Restricted Group and accordingly the management is providing Depreciation on Property, plant and equipment based on useful life given in Part (a) and (c) of Schedule II of Companies Act, 2013 and is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives as given below, the management believes that these estimated useful lives are realistic and reflect fair approximation of the year over which the assets are likely to be used.

Assets	Useful Life (in years)
Plant & Equipments (including Wind Turbine Generator, Solar plants and transmission lines*)	25
Building & Substation	10-25
Computers and Data processing Machines	3-6

* Based on internal technical assessment, the Management believes that the useful life of Wind Turbine Generator, solar plants and transmission lines is 25 years as given above, which best represents the year over which Management expects the use of assets. Hence the useful life of these assets is different from the useful life as prescribed under Part C of schedule II of Companies Act, 2013.

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

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Intangible assets with finite lives are amortized over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization year and the amortization method for an intangible asset with finite life are reviewed at least at the end of each reporting year.

Type of asset	Useful lives (in years)
Customer Contracts acquired during business combination	25

j) **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) **Leases**

At inception of a contract, the Restricted Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Restricted Group assesses whether:
- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Restricted Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Restricted Group has the right to direct the use of the asset. The Restricted Group has this right when it has the decision making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Restricted Group has the right to direct the use of the asset if either:
- the Restricted Group has the right to operate the asset; or
- the Restricted Group designed the asset in a way that predetermines how and for what purpose it will be used;

Right-of-use assets
The Restricted Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets (leasehold land and leasehold building) are depreciated on a straight-line basis over the lease term.
If ownership of the leased asset transfers to the Restricted Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to Impairment. Refer to the accounting policies in section (o) Impairment of non-financial assets.

Lease liabilities
The Restricted Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets (leasehold land and leasehold building) are depreciated on a straight-line basis over the lease term.
If ownership of the leased asset transfers to the Restricted Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (o) Impairment of non-financial assets.

Short-term leases and leases of low value
The Restricted Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense as they are incurred.

l) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Restricted Group has no obligation, other than the contribution payable to the provident fund. The Restricted Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

Defined benefit plan
The Restricted Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Restricted Group accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest and if applicable), is reflected immediately in Other Comprehensive Income in the statement of profit and loss. All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to statement of profit and loss hence it is treated as part of retained earnings in the statement of changes in equity. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.

Other Long Term Employee Benefits
As per the Restricted Group's policy, eligible leaves can be accumulated by the employees and carried forward to future years to either be utilised during the service, or encashed. Encashment can be made during the service, on early retirement, on withdrawal of scheme, at resignation by employee and upon death of employee. The scale of benefits is determined based on the seniority and the respective employee's salary. The Restricted Group records an obligation for such compensated absences in the year in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

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m) Provisions

General

Provisions are recognised when the Restricted Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Restricted Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning costs:

Liability for decommissioning costs is provided for those lease arrangements where the Restricted Group has a binding obligation at the end of the lease year to restore the leased premises in a condition similar to inception of lease. Provision for decommissioning costs is provided at the present value of expected costs to settle the obligation using discounted cash flows and is recognised as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is recognised in the income statement as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

n) **Financial instruments**

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Restricted Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
-Debt instruments at amortised cost
-Debt instruments at fair value through other comprehensive income (FVTOCI)
-Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)
-Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

The category applies to the Restricted Group's trade and other receivables, cash and cash equivalents, security deposits and other loans and advances, etc.
A debt instrument is measured at the amortised cost if both the following conditions are met:
(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Restricted Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Restricted Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Restricted Group of similar financial assets) is primarily derecognised when:
- The rights to receive cash flows from the asset have expired, or
- The respective Restricted Group has transferred their rights to receive cash flows from the asset or have assumed the obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; And

- Either the Restricted Group has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset

When the Restricted Group have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Restricted Group continues to recognise the transferred asset to the extent of the continuing involvement of Restricted Group. In that case, the Restricted Group also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Restricted Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Restricted Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Restricted Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on all the financial assets and credit risk exposure.

The Restricted Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

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The application of simplified approach does not require the Restricted Group to track changes in credit risk. Rather it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Restricted Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss (P&L).

Financial Liabilities

Initial recognition and measurement

On the date of issuance Financial Instruments with conversion feature are evaluated for equity, liability and compound instrument classification as per the contractual terms. Basis the assessment if considered appropriate, consideration received is allocated to different components per the applicable accounting guidance. If there is any embedded derivative same has been accounted as per guidance.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities of the Restricted Group include trade and other payables, derivative financial instruments, loans and borrowings including bank overdraft, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as discussed below:-

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Restricted Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Restricted Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Restricted Group has not designated any financial liability as at fair value through profit and loss.

Trade Payables

These amounts represents liabilities for goods and services provided to the Restricted Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

The Restricted Group recognise debt modifications agreed with lenders to restructure their existing debt obligations. Such modifications are done to take advantage of falling interest rates by cancelling the exposure to high interest fixed rate debt, pay a fee or penalty on cancellation and replace it with debt at a lower interest rate (exchange of old debt with new debt). The qualitative factors considered to be relevant for modified financial liabilities include, but are not limited to, the currency that the debt instrument is denominated in, the interest rate (that is fixed versus floating rate), conversion features attached to the instrument and changes in covenants. The accounting treatment is determined depending on whether modifications or exchange of debt instruments represent a settlement of the original debt or merely a renegotiation of that debt. The exchange of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Compound Financial Instruments

A compound financial instrument is a non-derivative financial instrument that, from the issuer's perspective, contains both a liability and an equity component.

On issuance of the mandatorily redeemable preference shares with dividends paid at the issuer's discretion, the fair value of the liability component is measured by determining the net present value of redemption amount, discounted at the market rate of interest prevailing at the time of issue. This amount is classified as a borrowing measured at amortised cost until it is extinguished on redemption. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole, the amount separately determined for the liability component.

After initial measurement, on the liability component, interest is accrued using EIR and is recognised in the Special Purpose Combined statement of profit and loss as finance costs. Any dividends paid are related to the equity component and are recognised directly in the equity.

Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

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Reclassification of financial assets and liabilities

The Restricted Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

Embedded derivatives
An embedded derivative is a component of a hybrid (Combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the Combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Restricted Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Special Purpose Combined financial statement if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o) Impairment of non-financial assets

The Restricted Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Restricted 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 of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Restricted Groups of assets. When 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 of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Restricted Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Restricted Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a year of five years. For longer years, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond years covered by the most recent budgets/forecasts, the Restricted Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.
For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Restricted Group estimates the asset's or CGU'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 statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

p) Derivative financial instruments

Initial recognition and subsequent measurement
The Restricted Group uses derivative financial instruments, such as interest rate swaps and call options, to hedge its interest rate risks and foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and onhand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net off bank overdrafts as they considered an integral part of the Restricted Group's cash management.

r) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Restricted Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

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s) **Events occurring after the Balance Sheet date**

Impact of events occurring after the balance sheet date that provide additional information materially effecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

The Restricted Group does not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting year.

The Restricted Group makes disclosures in the financial statement in cases of significant events.

t) **Changes in accounting policies and disclosures**

New and amended standards

Amendments to Ind AS 103 Business Combinations: Definition of a Business

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarified that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the Special Purpose Combined financial statements of the Restricted Group but may impact future periods should the Restricted Group enter into any business combinations.

Amendments to Ind AS 107, Ind AS 109 and Ind AS 39: Interest Rate Benchmark Reform

The amendments to Ind AS 109 and Ind AS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark based cash flows of the hedged item or the hedging instrument. These amendments had no impact on the Special Purpose Financial Statements of the Restricted Group as it does not have any interest rate hedge relationships.

Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the Special Purpose Financial Statements of, nor is there expected to be any future impact to the Restricted Group.

Amendment to Ind AS 116 Leases COVID 19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

u) **Standards issued but not yet effective**

There are no new standards that are issued, but not yet effective, up to the date of issuance of the Restricted Group's financial statements.

2.4 **Significant accounting judgements, estimates and assumptions**

The preparation of the Restricted Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the Restricted Grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Considering the applicability of Schedule II of Companies Act, 2013, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013 (Refer note 3, 4 and 5)

ii) Fair Value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 36 and 37 for further disclosures.

iii) Recognition and estimation of tax expense including deferred tax

The Restricted Group makes various assumptions and estimates while computing deferred taxes which include production related data (PLFs), projected operations and maintenance costs, projected finance costs, proposed availment of deduction under section 80IA of the Income Tax Act, 1961 and the period over which such deduction shall be availed, usage of brought forward losses etc. While these assumptions are based on best available facts in the knowledge of management as on the balance sheet date however, they are subject to change year on year depending on the actual tax laws and other variables in the respective year. Given that the actual assumptions which would be used to file the return of income shall depend upon the tax laws prevailing in respective year, management shall continue to reassess these assumptions while calculating the deferred taxes on each balance sheet date and the impact due to such change, if any, is considered in the respective year. Refer note 30.

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iv) Estimation of assets and obligations relating to employee benefits (including actuarial assumptions)
The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates. Refer note 32.

v) Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources
Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, legal interpretations of various other acts/laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Restricted Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies. Refer note 30 and 35.

vi) Impairment of non-Financial assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for useful life of the project and do not include restructuring activities that the Restricted Group entities are not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Refer note 4

vii) Going concern assessment - note 43

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

3 Property, plant and equipment

	Freehold land (refer note (a) and (b) below)	Plant and Equipments	Building and Substation	Right of use asset (Land) (refer note 34)	Right of use asset (Building) (refer note 34)	Computers and Data processing Machines	Total
Gross Block							
(At cost)							
As at April 01 2019	1,306.82	32,265.38	976.05	259.34	58.73	46.31	34,912.63
Additions made during the year	26.99	5.74	0.94	-	-	1.78	35.45
Disposals / adjustments during the year	-	(5.94)	-	-	-	(0.05)	(5.99)
As at March 31, 2020	1,333.81	32,266.18	976.99	259.34	58.73	48.04	34,942.09
Additions made during the year	-	0.01	0.13	-	-	0.25	0.39
Disposals / adjustments during the year	-	(13.09)	-	-	(58.73)	-	(71.82)
As at March 31, 2021	1,333.81	32,252.10	977.12	259.34	-	48.29	34,870.66
Depreciation and impairment							
As at April 01, 2019	-	3,082.48	95.38	-	-	20.80	3,198.66
Depreciation charge for the year	-	1,328.13	42.31	11.92	8.01	8.04	1,398.41
On disposals / adjustments during the year		(0.27)				(0.03)	(0.30)
As at March 31, 2020	-	4,410.34	137.69	11.92	8.01	28.81	4,596.77
Depreciation charge for the year	-	1,325.23	43.65	11.85	4.68	7.42	1,392.83
On disposals / adjustments during the year	-	-	-	-	(12.69)	-	(12.69)
As at March 31, 2021	-	5,735.57	181.34	23.77	-	36.23	5,976.91
Net book value							
As at March 31, 2020	1,333.81	27,854.84	839.30	247.42	50.72	19.23	30,345.32
As at March 31, 2021	1,333.81	26,516.53	795.78	235.57	-	12.06	28,893.75

a) In respect of one of the entity of Restricted Group, namely Clean Solar Power (Gulbarga) Private Limited, the entity holds 1,273.97 acres freehold land which is registered in the name of the entity except 347.17 acre where only General Power of Attorney ('GPA') and Agreement to sale ('ATS') has been registered. Further, the entity is in the advance stage of sparing 144.875 acres of land out of 347.17 acres. The management believes that for remaining land of 202.295 acres sale deed/title deed registration will happen in due course of business.

(b) 143.28 acre (March 31, 2020: 143.28 acre) of land are hypothecated with Bank and financial institutions

Refer note 15 for charge against the above mentioned assets.

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

4 Capital work-in-progress

I) Breakup of Capital work-in-progress is as follows:	As at March 31, 2021	As at March 31, 2020
Purchase of Material	117.83	117.83
Salaries	0.39	0.39
Professional fees	0.01	0.01
Interest & finance expense	9.09	9.09
Travelling & conveyance	0.28	0.28
Administrative and other expenses	3.99	3.99
Less: Cost impaired (Refer note below)	(75.16)	(16.20)
Less: Written-off	(13.59)	(13.59)
	42.84	101.80

(II) Movement during the year	Total
As at April 1, 2019	101.80
Addition during the year	-
As at March 31, 2020	101.80
Addition during the year	-
Impairment during the year (Refer note below)	(58.96)
As at March 31, 2021	42.84

In respect of one of the entities of Restricted Group, namely Clean Wind Power (Satara) Private Limited, the commissioning of one WTG of 2 MW ("WTG") got delayed due to certain Right of Way (RoW) and other land related issues resulting into expiration of Infrastructure Clearance given by Maharashtra Energy Development Agency ('MEDA'). As Maharashtra State Electricity Distribution entity Ltd (MSEDCL) has stopped signing further PPA, the management is exploring further options for selling power through Open Access or signing short term Energy Purchase Agreement (EPA) with MSEDCL. Considering the fact that the WTG commissioning got delayed, the management has carried an impairment assessment basis the discounted cash flows based on expected commissioning of the project in FY 2021-22, weighted average cost of capital (WACC) of 10.65% and Plant Load Factor (PLF) of 23.70% Rs. 58.96 million (March 31, 2020: Nil) in the statement of profit & loss during this year. The management believes that carrying value of the said WTG under the head 'Capital Work- in-Progress' amounting to Rs. 42.84 million (March 31, 2020: 101.80 million) is fully recoverable as the project is expected to generate future economic benefits.

5 Other Intangible assets

	Customer Contracts (Power purchase agreement)	Total
Gross Block		
(At cost)		
As at April 01, 2019	157.00	157.00
Additions made during the year	-	-
As at March 31, 2020	157.00	157.00
Additions made during the year	-	-
As at March 31, 2021	157.00	157.00
Amortisation and Impairment		
As at April 01, 2019	11.41	11.41
Amortisation for the year	7.98	7.98
As at March 31, 2020	19.39	19.39
Amortisation for the year	7.98	7.98
As at March 31, 2021	27.37	27.37
Net book value		
As at March 31, 2020	137.61	137.61
As at March 31, 2021	129.63	129.63

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

6	Trade receivables	As at March 31, 2021	As at March 31, 2020
	Current		
	Trade receivables*		
	- Receivables considered good - Unsecured;	2,657.27	1,956.34
	- Receivables which have significant increase in credit risk; and	0.26	0.26
		2,657.53	1,956.60
	Impairment Allowance (allowance for bad and doubtful debts)		
	- Receivables which have significant increase in credit risk; and	(0.26)	(0.26)
		2,657.27	1,956.34
	* Trade receivable include the amount of unbilled revenue.	382.60	420.88
	* Trade receivable include the amount receivable from related parties (refer note 31)	4.42	4.42

a) No trade or other receivable are due from directors or other officers of the entity either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

b) For terms and conditions relating to related party receivables, refer note 31.

c) Trade receivables are generally on terms of 45 to 60 days.

7	Cash and cash equivalents	As at March 31, 2021	As at March 31, 2020
	Balances with banks		
	- Current account*	4,307.88	913.85
	- Deposits with original maturity of three months or less	416.08	0.90
		4,723.96	914.75

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Restricted Group, and earn interest at the respective short-term deposit rates
*Balance with banks-current account of Rs. 3,508 million (March 31, 2020: Nil) pertains to (i) funds which can be used by CRPMPL for meeting its operating expenses and estimated transaction expenses and (ii) funds to be transferred to Indian entities of Restricted Group for expenditure on general corporate purpose of these entities

a) For the purpose of the statement of cash flow, cash and cash equivalents comprise of the following:

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
- Current account	4,307.88	913.85
- Deposits with original maturity of three months or less	416.08	0.90
Bank overdraft (refer note 15)	(144.51)	(214.18)
	4,579.45	700.57

8	Other bank balances	As at March 31, 2021	As at March 31, 2020
	Deposits with original maturity for more than 3 months but less than or equal to 12 months*	145.57	71.27
	Balance with banks**	22,447.32	-
		22,592.89	71.27
	* includes deposits held as margin money against bank guarantee and short term loan.	103.68	71.27

**Represents proceeds from the issue of 4.25% Senior secured notes, to be utilised for payment of existing project indebtedness in Indian entities of the Restricted Group along with prepayment charges. Refer note 45(b).

9	Other financial assets	As at March 31, 2021	As at March 31, 2020
	Non- current		
	Deposits with original maturity of more than 12 months*	0.30	0.06
	Balance with banks***	133.40	-
	Loan to related parties** (refer note 31)	880.00	880.00
	Security deposits- considered good	35.53	27.61
	Security deposits- credit impaired	0.03	0.03
	Less: impairment allowances for security deposits- credit impaired	(0.03)	(0.03)
		1,049.23	907.67
	Current		
	Deposits with original maturity of more than 12 months*	0.03	84.46
	Accrued Interest on fixed deposits	1.54	1.82
	Accrued interest on loan to related parties (refer note 31)	169.18	82.26
	Security deposits	4.01	3.66
	Other receivables (refer note 31)	366.80	349.79
	Less: provision for doubtful debts (refer note 35 (c) (III))	(34.53)	-
		507.03	521.99
	Total	1,556.26	1,429.66
	* Includes fixed deposit with interest under lien held as margin money	0.33	17.41

**One of the Restricted Group entity, Clean Wind Power (Ratlam) Pvt Ltd. has entered into a "Loan Agreement" dated March 04, 2019 with Hero Solar Energy Private Limited for availing loan upto Rs. 1000 million. The loan disbursed and outstanding as at March 31, 2021 is Rs 680 million (March 31, 2020: Rs 680 million). The applicable interest will be 55 bps higher than interest rate of secured lenders.

**One of the Restricted Group entity, Clean Solar Power (Rajkot) Pvt Ltd. has entered into a "Loan Agreement" dated April 01, 2019 with Hero Wind Energy Private Limited for availing loan upto Rs. 500 million. The loan disbursed and outstanding as at March 31, 2021 is Rs 200 million (March 31, 2020: Rs 200 million). The applicable Interest shall not be lower than the rate applicable based on prevailing yield of government securities closest to the tenure of loan

***This represents 0.5% of outstanding 4.25% Senior secured notes ("Equity Cushion Amount") to be maintained by the Company as per underlying indenture

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

a) Break up of financial assets carried at amortised cost:	As at March 31, 2021	As at March 31, 2020
Trade receivables (Refer to note 6)	2,657.27	1,956.34
Cash and cash equivalents (Refer to note 7)	4,723.96	914.75
Other bank balances (Refer to note 8)	22,592.89	71.27
Other financial assets (Refer to note 9)	1,556.26	1,429.66
Total	31,530.38	4,372.02

10 **Other assets**
(Unsecured, considered good, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Non- current		
Capital advances	90.81	90.77
Less: Provision for doubtful capital advances	(87.51)	(87.51)
Prepaid expenses	42.53	47.18
Prepaid gratuity (funded) net of provision for gratuity (refer note 32)	0.72	1.98
Deferred asset	154.31	161.27
Other receivable	-	3.06
	200.86	216.75
Current		
Balance with government authorities	0.08	0.08
Advance to Vendors	162.67	52.09
Less: provision for doubtful advance (refer note 35 (c) (III))	(39.39)	-
Prepaid expenses	5.83	18.22
Advance to employees	2.33	0.72
Deferred asset	7.27	7.29
	138.79	78.40

11 **Non- current tax assets (net)**

	As at March 31, 2021	As at March 31, 2020
Advance Income Tax (Net) *	82.72	64.86
	82.72	64.86
* net of provision for tax	107.37	104.59

12 **Inventories**

	As at March 31, 2021	As at March 31, 2020
Stores and spares	4.30	-
	4.30	-

13 **Equity Share Capital**

The Special Purpose Combined Financial Statements do not represent a legal entity structure. The share capital of the Restricted Group is the summation of the share capital of the respective entities forming part of the Restricted Group.

	As at March 31, 2021	As at March 31, 2020
Authorised share capital		
Equity Share capital		
12,000,000 (March 31, 2020: 12,000,000) equity shares of Rs. 10 each in Clean Wind Power (Bableshwar) Private Limited	120.00	120.00
45,010,000 (March 31, 2020: 45,010,000) equity shares of Rs. 10 each in Clean Solar Power (Dhar) Private Limited	450.10	450.10
60,000,000 (March 31, 2020: 60,000,000, March 31, 2018: 60,000,000) equity shares of Rs. 10 each in Bhilwara Green Energy Limited	600.00	600.00
126,000,000 (March 31, 2020: 86,000,000) equity shares of Rs. 10 each in Clean Solar Power (Gulbarga) Private Limited	1,260.00	860.00
15,000,000 (March 31, 2020: 15,000,000) equity shares of Rs. 10 each in Clean Wind Power (Piploda) Private Limited	150.00	150.00
15,000,000 (March 31, 2020: 15,000,000) equity shares of Rs. 10 each in Rajkot (Gujarat) Solar Energy Private Limited	150.00	150.00
35,000,000 (March 31, 2020: 35,000,000) equity shares of Rs. 10 each in Clean Wind Power (Ratlam) Private Limited	350.00	350.00
120,000,000 (March 31, 2020: 120,000,000) equity shares of Rs. 10 each in Clean Wind Power (Satara) Private Limited	1,200.00	1,200.00
164,381 (March 31, 2020: 146,460) equity shares of $ 1 each in Clean Renewable Power (Mauritius) Pte. Ltd	11.78	10.44
	4,291.88	3,890.54

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Issued, subscribed and paid up

Equity share capital	As at March 31, 2021	As at March 31, 2020
10,000 (March 31, 2020: 10,000) equity shares of Rs. 10 each in Clean Wind Power (Bableshwar) Private Limited	0.10	0.10
45,010,000 (March 31, 2020: 45,010,000) equity shares of Rs. 10 each in Clean Solar Power (Dhar) Private Limited	450.10	450.10
56,960,070 (March 31, 2020: 56,960,070) equity shares of Rs. 10 each in Bhilwara Green Energy Limited	569.60	569.60
126,000,000 (March 31, 2020: 66,000,000) equity shares of Rs. 10 each in Clean Solar Power (Gulbarga) Private Limited	1,260.00	660.00
13,613,000 (March 31, 2020: 13,613,000) equity shares of Rs. 10 each in Clean Wind Power (Piploda) Private Limited	136.13	136.13
13,750,000 (March 31, 2020: 13,750,000) equity shares of Rs. 10 each in Rajkot (Gujarat) Solar Energy Private Limited	137.50	137.50
35,000,000 (March 31, 2020: 35,000,000) equity shares of Rs. 10 each in Clean Wind Power (Ratlam) Private Limited	350.00	350.00
71,889,000 (March 31, 2020: 71,889,000) equity shares of Rs. 10 each in Clean Wind Power (Satara) Private Limited	718.89	718.89
164,381 (March 31, 2020: 146,460) equity shares of $ 1 each in Clean Renewable Power (Mauritius) Pte. Ltd	11.78	10.44
	3,634.10	3,032.76

a) Reconciliation of authorised, issued and subscribed share capital:

i. Reconciliation of authorised share capital as at year end :	No. of shares	(Rs. in million)
Balance as at April 1, 2019	388,010,100	3,880.11
Issued during the year	146,360	10.43
Balance as at March 31, 2020	388,156,460	3,890.54
Issued during the year	40,017,921	401.34
Balance as at March 31, 2021	428,174,381	4,291.88

ii. Reconciliation of issued and subscribed share capital as at year end :	No. of shares	(Rs. in million)
Balance as at April 1, 2019	302,232,170	3,022.33
Issued during the year	146,360	10.43
Balance as at March 31, 2020	302,378,530	3,032.76
Issued during the year	60,017,921	601.34
Balance as at March 31, 2021	362,396,451	3,634.10

b) Terms/ rights attached to equity shares:

The Restricted Group has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and entitled to receive dividends as declared from time to time.

In the event of liquidation of the entities of the Restricted Group, the holders of equity shares will be entitled to receive remaining assets of the entities, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The status of shares mentioned above is as under.

Bhilwara Green Energy Limited
*74% shares (March 31, 2020: 74% shares) are pledged by Hero Wind Energy Private Limited for borrowing obtained by the entity and remaining 26% (March 31, 2020: 26% shares) with "HSBC", lender of Hero Future Energies Private Limited. (Refer note 15). Further, total of 60 equity shares (March 31, 2020: 60 equity shares) held by other shareholder as nominee on behalf of Hero Wind Energy Private Limited.

Clean Wind Power (Bableshwar) Private limited
51% shares (March 31, 2020: 51% shares) are pledged by Hero Wind Energy Private Limited for borrowing obtained by the entity (Refer note 15).

Clean Wind Power(Piploda) Private Limited
a) 51% shares (March 31, 2020: 51% shares) are pledged by Hero Wind Energy Private Limited for borrowing obtained by the entity. (Refer note 15).
b) In respect of remaining 49% shares (March 31, 2020: 51% shares) has pledged these shares to its Non-Convertible Debenture Holders.

Clean Wind Power (Satara) Private Limited
51% shares (March 31, 2020: 51% shares) are pledged by Hero Wind Energy Private Limited for borrowing obtained by the entity (Refer note 15).

Rajkot (Gujarat) Solar Energy Private Limited
a) 51% shares (March 31, 2020: 51% shares) are pledged by Hero Solar Energy Private Limited for borrowing obtained by the entity (Refer note 15).
b) In respect of remaining 40.98% (March 31, 2020: 41.97% shares) shares has pledged these shares to its Non Convertible Debenture Holders.

Clean Solar Power (Dhar) Private Limited
a) 51% shares (March 31, 2020: 51% shares) are pledged by Hero Solar Energy Private Limited for borrowing obtained by the entity (Refer note 15)
b) In respect of remaining 49% shares (March 31, 2020: 49% shares) has pledged these shares to its Non Convertible Debenture Holders.

Clean Solar Power (Gulbarga) Private Limited
a) 34.81% shares (March 31, 2020: 51% shares) are pledged by Hero Solar Energy Private Limited for borrowing obtained by the entity (Refer Note 15).
b) In respect of remaining 25.35% shares (March 31, 2020: 48.39% shares) has pledged these shares to its Non Convertible Debenture Holders.

Clean Wind Power (Ratlam) Private Limited
a) 51% shares (March 31, 2020: 51% shares) are pledged by Hero Wind Energy Private Limited for borrowings obtained by the entity (Refer Note 15).
b) In respect of remaining, Nil (March 31, 2020: 49% shares) has pledged these shares to its Non Convertible Debenture Holders.

c) No shares have been allotted without payment of cash or by the way of bonus shares during the period of five years immediately preceding the balance sheet date.

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(All amounts are in Indian Rupees (In million), unless otherwise stated)

14 **Other Equity**

	Amount
Retained Earnings	
Opening Balance (April 1, 2019)	(1,348.30)
Add:- Deficit in statement of profit and loss	(260.73)
Add:- Other comprehensive expense	(0.85)
Closing Balance (March 31, 2020)	(1,609.88)
Add:- Deficit in statement of profit and loss	(944.90)
Add:- Other comprehensive income	0.52
Closing Balance (March 31, 2021)	(2,554.26)
Other Reserves	
Securities premium	
Opening Balance (April 1, 2019)	-
Add:- Addition during the year	-
Closing Balance (March 31, 2020)	-
Add:- Addition during the year	261.40
Less:- Share Issue Expenses	(3.60)
Closing Balance (March 31, 2021)	257.80
Debenture Redemption Reserve (refer note (a) below)	
Opening Balance (April 1, 2019)	209.58
Add:- Addition during the year	-
Closing Balance (March 31, 2020)	209.58
Add:- Addition during the year	-
Closing Balance (March 31, 2021)	209.58
Invested Capital	
Opening Balance (April 1, 2019)	463.31
Add:- Addition during the year	-
Closing Balance (March 31, 2020)	463.31
Add:- Addition during the year	-
Closing Balance (March 31, 2021)	463.31
Foreign Currency Translation Reserve	
Opening Balance (April 1, 2019)	-
Add:- Addition during the year	(4.99)
Add:- transferred from deemed capital contribution	(0.20)
Closing Balance (March 31, 2020)	(5.19)
Add:- Addition during the year	1.60
Add:- transferred from deemed capital contribution	(0.07)
Closing Balance (March 31, 2021)	(3.66)
Deemed capital contribution	
Opening Balance (April 1, 2019)	10.96
Add:- Addition during the year (refer note (b) and (c))	62.18
Less: Transferred to share capital (refer note (c) below)	(10.43)
Less: Transferred to Foreign currency translation reserve (refer note (c) below)	0.20
Closing Balance (March 31, 2020)	62.91
Add:- Addition during the year (refer note (c) an(d) below)	300.32
Less: Transferred to share capital (refer note (c) below)	(1.34)
Less: Transferred to Foreign currency translation reserve (refer note (c) below)	0.07
Less:- Deferred Tax charge	(61.95)
Closing Balance (March 31, 2021)	300.01

(a) One of the Restricted Group Entity, Bhilwara Green Energy Limited ("BGEL"), had issued redeemable non-convertible debentures. Under the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the entity to create DRR out of profits of the entity available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, Vide notification G.S.R.574 (E) dated August 16, 2019, in case of privately placed debentures, Debenture Redemption Reserve ('DRR') is not required for listed companies. Accordingly, BGEL has not created any DRR during the year ended March 31, 2021.

(b) One of the Restricted Group Entity, Rajkot (Gujarat) Solar Energy Private Limited (as "Rajkot") and its holding company, Hero Solar Energy Private Limited have mutually decided to revise terms and conditions attached to loans taken by Rajkot and according to which loans amounting to Rs. 60 million carries 0% interest and are repayable at the discretion of the entity. Accordingly, as per Ind AS-109, Rajkot has recognised capital contribution from its holding company, Hero Solar Energy Private Limited.

(c) The Company had received funds of Rs. 54.16 million (March 31, 2020: Rs. 1.27 million) from the parent for settlement of the operational expenses, out of which Rs. 1.34 million (March 31, 2020: Rs. 10.43 million) has transferred to share capital.

(d) In One of the Restricted Group Entity, Clean Solar Power (Gulbarga) Private Limited, deemed capital contribution is recognized of of Rs. 246.14 million (March 31, 2020: Nil) for the difference between transaction value and fair value of compulsorily convertible debentures (CCDs) on initial recognition. Refer note 15 for detailed terms of CCDs.

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

Equity component of compulsory convertible debentures	
Closing Balance (31 March 2019) (refer note (a) below)	603.88
Add:- Addition during the year (refer note (b) below)	(5.07)
Closing Balance (31 March 2020)	598.81
Add:- Addition during the year	-
Closing Balance (31 March 2021)	598.81

(a) One of the Restricted Group Entity, Clean Solar Power (Gulbarga) Private Limited has issued unrated, unlisted, unsecured Compulsory Convertible Cumulative Debentures to it's holding company Hero Solar Energy Private Limited, having a face value of Rs. 10 each to finance the project. The said entity has adopted the split method of accounting under IND AS and discounted the expected cash outflows and determined the same as financial liability as on the date of issue of debentures. The entity has allocated the residual value to the equity component. Refer note 15 for further details.

(b) One of the Restricted Group Entity, Clean Solar Power (Gulbarga) Private Limited has opted for lower tax rate under section 115BAA of the Income tax act, 1961 resulting in adjustment to equity component of compulsorily convertible debentures.

Nature and Purpose of Reserve:

Securities Premium
Securities premium reserve is created to record the premium on issue of shares of Clean Solar Power (Gulbarga) Private Limited. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve
One of the Restricted Group entity namely Bhilwara Green Energy Limited ("BGEL"), had issued redeemable non-convertible debentures. Under the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the entity to create DRR out of profits of the entity available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, Vide notification G.S.R.574 (E) dated August 16, 2019, in case of privately placed debentures, Debenture Redemption Reserve ('DRR') is not required for listed companies. Accordingly, BGEL has not created any DRR during the year ended March 31, 2021.

Invested Capital
Parent Contribution represents fair value uplift (net of tax) recognised in accordance with Ind AS 103 'Business Combinations' and Para 16 of the guidance note on Combined and/or Carve-out financial statements issued by ICAI, on account of acquisition of Bhilwara Green Energy Limited.

Equity component of compulsory convertible debentures- Refer note 15- 'Borrowings'

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15 Borrowings	As at March 31, 2021	As at March 31, 2020
Non- current		
Secured		
Term loan from banks	-	7,548.27
Term loans from Financial Institution	-	13,605.18
Non-Convertible Debentures	-	797.63
4.25% Senior secured notes (refer note below)	25,826.59	-
Unsecured		
Optional Convertible Cumulative Debentures (refer note 31)	1,799.64	1,799.19
Compulsory Convertible Debentures (refer note 31)	1,571.63	515.31
Loan from Related Party (refer note 31)	-	2,134.28
	29,197.86	26,399.86
Current		
Secured		
Current maturities of long term borrowings (refer note 45(b))	21,337.28	1,059.90
Current maturities of 4.25% Senior secured notes (refer note below)	465.45	-
Current maturities of Non-Convertible Debentures- Senior	798.50	176.99
Bank Overdraft	-	134.26
Working Capital facility	111.50	70.00
Unsecured		
Loan from related parties (refer note 31)	1,316.42	684.80
Bank overdraft	144.51	79.92
	24,173.66	2,205.87
Less: Amount clubbed under "other financial liabilities-current" (refer note 17)	(22,601.23)	(1,236.89)
	1,572.43	968.98
Total	30,770.29	27,368.84

a) Long Term Loan from Banks and Financial Institutions attract interest rate ranging from 9.10%p.a - 10.95% p.a.

b) Non Convertible Debentures carry interest of 11.75% p.a.

c) Loan from Related parties, Working Capital facility and bank overdraft from banks carries interest @ 9.15% p.a.- 13% p.a.

d) Optional Convertible Cumulative Debentures ("OCCD") carry interest in the range of 8.90% p.a.- 9.94% p.a., which is linked to MCLR

e) Compulsory Convertible Debentures ("CCD") carry interest of 6% p.a.-10.10% p.a., which is linked to MCLR

Entity name	Nature of Lender	Amount (Rs. in million)	Payment terms	Security and other details
Optional Convertible Cumulative Debentures ("OCCD")				
Clean Wind Power (Ratlam) Private Limited	Hero Wind Energy Private Limited	1,047.78	(i) OCCD I (35,000,000 debentures of face value Rs. 10 each)- On 20th anniversary of the issuance of the Series I OCCDs, (Issuance Date- September 28, 2016) subject to prior approval from the lenders of the entity at the option of Debenture Subscriber. (ii) OCCD I (35,000,000 debentures of face value Rs. 10 each)- On 23rd anniversary of the issuance of the Series II OCCDs (Issuance Date- September 28, 2016), subject to prior approval from the lenders of the entity at the option of Debenture Subscriber. (iii) OCCD I (35,000,000 debentures of face value Rs. 10 each)- On 25th anniversary of the issuance of the Series III OCCDs (Issuance Date- September 28, 2016), subject to prior approval from the lenders of the entity at the option of Debenture Subscriber.	Unsecured
Clean Wind Power (Piploda) Private Limited	Hero Wind Energy Private Limited	407.56	(i) OCCD I (20,000,000 debentures of face value Rs. 10 each)- On 20th anniversary of the issuance of the Series I OCCDs (Issuance Date- February 01, 2017), subject to prior approval from the lenders of the entity at the option of Debenture Subscriber. (ii) OCCD II (20,838,000 debentures of face value Rs. 10 each)- On 25th anniversary of the issuance of the Series II OCCDs (Issuance Date- February 01, 2017), subject to prior approval from the lenders of the entity at the option of Debenture Subscriber.	Unsecured
Rajkot(Gujarat) Solar Energy Private Limited	Hero Solar Energy Private Limited	344.30	(i) OCCD I (20,000,000 debentures of face value Rs. 10 each)- On 20th anniversary of the issuance of the Series I OCCDs (Issuance Date- June 30, 2017), subject to prior approval from the lenders of the entity at the option of Debenture Subscriber. (ii) OCCD II (14,500,000 debentures of face value Rs. 10 each)- On 25th anniversary of the issuance of the Series II OCCDs (Issuance Date- June 30, 2017), subject to prior approval from the lenders of the entity at the option of Debenture Subscriber.	Unsecured
Total		1,799.64		

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

Entity name	Nature of Lender		Payment terms	Security and other details
Term Loan from banks and financial institutions				
Rajkot(Gujarat) Solar Energy Private Limited	ICICI Bank	810.14	The long term loan from banks and financial institutions shall be repayable in 72 structured quarterly instalments starting from June 30, 2018- Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly, loan facility is reclassified from Non-current to current borrowing.	Refer Note (1)
	India Infrastructure Finance entity Ltd	486.46		
	Union bank	789.00		
Clean Solar Power (Dhar) Private Limited	ICICI Bank Limited	7.38	The term Loan Tranche A facility is repayable in Five structured equal annually instalments, starting from March 31, 2017and tranche B facility is repayable in 76 structured quarterly instalment starting from June 30, 2016. Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly; loan is reclassified from Non-current to current borrowing.	Refer Note (2)
	INDIA INFRADEBT LTD	681.75		
	Indian Bank Limited	229.80		
Clean Solar Power (Gulbarga) Private Limited	L & T Infrastructure Finance entity Ltd	4,282.23	Loan is repayable in 78 structured quarterly instalments starting from June 30, 2018.Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly; loan is reclassified from Non-current to current borrowing.	Refer Note (3)
	Tata Cleantech Capital Ltd	893.00		
	PTC India Financial Service Ltd	1,616.27		
	Union Bank of India	1,786.00		
	L & T Finance Co. Ltd	519.20		
Clean Wind Power (Ratlam) Private Limited	ICICI Bank Ltd	1,349.87	The entity shall repay the total drawdown amount in 72 structured quarterly instalments, starting from 30th June 2017. Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly; loan is reclassified from Non-current to current borrowing.	Refer Note (4) and (18)
	NABARD	648.75		
	Oriental Bank of Commerce	878.41		
	India Infrastructure Finance entity Ltd	1,168.01		
	Indian Bank Ltd	439.83		
	The South Indian Bank Ltd	439.48		
	ICICI Bank Ltd (Working Capital Term loan)	152.41	The entity shall repay the total drawdown amount in 12 structured quarterly instalments, starting from fifth quarter from the SCOD i.e. June 30, 2021. Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly; loan is reclassified from Non-current to current borrowing.	
Clean Wind Power (Piploda) Private Limited	L&T Infrastructure Finance entity Limited	716.36	Repayment shall be made in 76 (seventy-six) quarterly instalments starting on April 1, 2018. Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly; loan is reclassified from Non-current to current borrowing.	Refer Note (5)
	Tata Cleantech Capital Limited	835.00		
Clean Wind Power (Satara) Private Limited	State Bank of India	782.81	The loan is repayable in 48 quarterly structured instalments from June 30, 2015.Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly; loan is reclassified from Non-current to current borrowing.	Refer Note (6)
Bhilwara Green Energy Limited	IFC	296.76	This loan is repayable in half yearly structured instalments starting from April 15, 2013 till April 15, 2025. Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly; loan is reclassified from Non-current to current borrowing.	Refer Note (7)
Clean Wind Power (Bableshwar) Private Limited	Aditya Birla Finance Limited	1,526.36	The loan shall be repaid in 68 (sixty eight) structured quarterly instalments on the Repayment Date(s), commencing from June 30, 2018. Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly; loan is reclassified from Non-current to current borrowing.	Refer Note (8)
Total		21,337.28		

Non-Convertible Debentures				
Bhilwara Green Energy Limited	Hero Wind Energy Private Limited	798.50	Non-Convertible debentures are redeemable at scheduled redemption date as per trust deed from financial year 2014-15 to 2024-25. The aggregate of the face value of debentures along with interest on debentures compounded annually shall be the time of redemption on relevant Scheduled redemption date. Redemption of NCD is structured in quarterly instalments and all the debentures will be redeemed by FY 2024-25 (NCD series B by FY 20-21 & NCD Series C by FY 2024-25). Subsequent to the March 31, 2021, all the loan is prepaid by the entity along with pre-payment charges. Accordingly; loan is reclassified from Non-current to current borrowing.	Refer Note (9)
Total		798.50		

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Entity name	Nature of Lender		Payment terms	Security and other details
Compulsory Convertible Debentures ("CCD")				
Clean Solar Power (Gulbarga) Private Limited	Hero Solar Enery Private Limited	1,571.63	(i) CCD I (57 million of face value Rs 10 each)- Subject to prior approval from the lenders of the entity, the entity with a written notice of 30 days, shall have right to call upon the debenture subscriber to convert CCD at any time after 3 years from the date of issuance of the CCD i.e, March 02, 2017 and mandatory conversion upon expiry of 10 years from issuance (ii) CCD II (50 million of face value Rs 10 each)- Subject to prior approval from the lenders of the entity, the entity with a written notice of 30 days, shall have right to call upon the debenture subscriber to convert CCD at any time after 3 years from the date of issuance of the CCD i.e, November 28, 2017 and mandatory conversion upon expiry of 10 years from issuance (iii) CCD III (129.96 million of face value Rs 10 each)- The entity with a written notice of 30 days, shall have right to call upon the debenture subscriber to convert Series A CCD at any time (iv) CCD IV* (50 million of face value Rs 10 each)- The entity with a written notice of 30 days, shall have right to call upon the debenture subscriber to convert Series A CCD at any time	Refer Note (10)
Total		1,571.63		
Loan from related parties				
Clean Wind Power (Satara) Private Limited	Hero Wind Energy Private Limited	583.11	Repayable on demand	Refer Note (11)
Clean Wind Power (Piploda) Private Limited	Hero Wind Energy Private Limited	61.55	Repayable on demand	Refer Note (12)
Bhilwara Green Energy Limited	Hero Wind Energy Private Limited	93.60	Repayable on demand	Refer Note (13)
Clean Wind Power (Ratlam) Private Limited	Hero Wind Energy Private Limited	66.25	Repayable on demand	Refer Note (14)
Clean Wind Power (Bableshwar) Private Limited	Hero Wind Energy Private Limited	479.32	Repayable on demand	Refer Note (15)
Rajkot(Gujarat) Solar Energy Private Limited	Hero Solar Energy Private Limited	32.60	Repayable on demand	Refer Note (16)
Total		1,316.43		
Entity name	**Nature of Lender**		**Payment terms**	**Security and other details**
Bank Overdraft				
Clean Wind Power (Ratlam) Private Limited	Bank Overdraft - ICICI Bank Ltd	144.51	Repayable on demand	Unsecured
Total		144.51		
Working Capital facility				
Clean Wind Power (Piploda) Private Limited	Hero Wind Energy Private Limited	111.50	Repayable on demand	Secured by way of hypothecation on all Current assets, movable assets and assignment of project contracts.
Total		111.50		

Notes on Security Terms:

1 The Loan is secured by way of first right over the revenue land allotted for the Project vide substitution letter issued by the Commissioner, New and Renewable Energy, Bhopal, all the movable fixed assets including but not limited to plant and machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation, Assignment of rights and interests under Project Documents to the satisfaction of Lenders (for the purpose of this clause Project Documents shall mean and include Power Purchase Agreement, Module Supply Contract, Transmission Connectivity Approval, EPC Contract and O & M Contract), hypothecation on all current assets of the Project (present and future) including but not limited to book debts, operating cash-flows, receivables, commissions, revenues, first charge on all Project accounts including but not limited to Trust and Retention account; and Pledge over Equity Shares (in the dematerialized form) representing a minimum of 51% percent of

2 The Loan amount is secured by way of first charge of hypothecation and mortgage of all movable and immovable properties of the said entity including intangible assets and project documents as well as on all current assets (present and future) including book debts, operating cash flows, receivables , commissions, VGF disbursements from SECI and revenue of all nature. It also includes pledge of 51% shares of the entity held by Hero Solar Energy Private Limited.

3 The Loan is secured by way of by a first ranking Security Interest in favour of the Security Trustee, charge by way of hypothecation on all movable assets of the said entity including, moveable plant and machinery, spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, on all current assets including but not limited to book debts, operating cash flows, receivables, commissions, VGF SECI, revenue, charge over all bank accounts of the Borrower, pertaining to the Project including without limitation, the Trust and Retention Account, Debt Service Reserve Account and other reserves, charge on all intangible assets of the Borrower including but not limited to goodwill, intellectual property rights, uncalled capital of the Borrower and undertakings, present and future, pertaining to the Project.
Pledge of 51% of the equity shares, preference shares, quasi- equity instruments and convertible debt instruments of the entity

4 (a) The amount is secured (together with all principal interest, liquidated damages, fees costs, charges, expenses and other monies and all other amounts stipulated and payable to the lender) by:

First charge over the entire immovable properties of the borrower in the following manner .

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i. Security interest to be created w.r.t private land of the borrower to be created and perfected in favour of the lenders/security trustee within 6 months from SCOD; and

ii. Submission of original copy of substitution letter from MPNERD on the revenue land allotted to the entity and document noting the name of the security trustee (acing in trust and for the benefit of the lenders of the project)/the facility agent (as the case may be)

iii First charge over all the movable fixed assets including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation

iv. First charge on all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the Project, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the Project except to the extent not permitted by government authorities / law

v. First charge by way of hypothecation on all current assets of the Project (present and future) including but not limited to book debts, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising

vi. First charge on all Project accounts including but not limited to Trust and Retention account

vii. Pledge over shares (in the dematerialized form) representing a minimum of Fifty One percent (51%) of the total paid up share capital of the Borrower in favour of the Lenders/Security Trustee. Pledge of shares is subject to section 19 (2) &(3) of the BR act, 1949.

viii. Securities as listed above shall be shared on pari passu basis with senior debt, working capital term loan.

5 The loan is secured by way of hypothecation on all movable, immovable, intangible and Current assets of the said entity both present and future, pertaining to the Project and pledge of 51% of the equity shares, preference shares and 51% of the Optionally Convertible Cumulative Debentures ("OCCD") of the said entity.

6 The Loan amount is secured by way of first charge of hypothecation and mortgage of all movable and immovable properties of the entity and project documents as well as on all current assets (present and future) including operating cash flows, receivables, book debts, and revenue of all nature, intangibles, goodwill, undertaking and uncalled capital pertaining to the project of the entity. It also includes assignment by way of security of entity's right and interests in the PPA executed with the 3 State distribution Utilities and insurance contracts. It also includes pledge of shares of the entity held by Hero Wind Energy Private Limited
This term loan facility is secured by way of corporate guarantee amounting to Rs 1,263.20 million given by Hero Future Energies Private Limited and Hero Wind Energy Private Limited jointly on behalf of the entity.

7 International Finance Corporation (IFC), Washington had sanctioned a term loan Rs 687.00 million. The loan is secured by first pari passu charge over the security mentioned as follows:
(i) On all the said entity's immovable properties (excluding Reserve Forest Land) /assets both existing and future pertaining to the Project.
(ii) Hypothecation of said entity's all movable, tangible and intangible assets, receivables, cash, investments and bank accounts, present and future, of the Issuer along with operating cash flows, book debts and receivables, commissions and any other revenues of whatsoever nature and wherever arising, present and future, of the Issuer and the insurance policies) relating to the project
(iii) Pledge of 74% of shares outstanding of the said entity (Issuer), present and future.
(iv) Assignment of all contracts, documents, insurance, clearances and interests, present and future, of the Issuer except where it is not allowed under the contract.

8 The Loan amount is secured by way of first charge of hypothecation and mortgage of all movable and immovable properties of the said entity (present and future) including intangible assets and project documents as well as on all current assets (present and future) including book debts, operating cash flows, receivables, commissions and revenue of all nature pertaining to the project. It also includes pledge of 51% shareholding of the said entity.

9 The NCD are secured by first pari passu charge with by way of the following :-

(a) On all the said entity's immovable properties (excluding Reserve Forest Land) /assets both existing and future pertaining to the Project.
(b) Hypothecation of said entity's all movable, tangible and intangible assets, receivables, cash, investments and bank accounts, present and future, of the Issuer along with operating cash flows, book debts and receivables, commissions and any other revenues of whatsoever nature and wherever arising, present and future, of the Issuer and the insurance policies) relating to the project
(c) Pledge of 74% of shares outstanding of the said entity (Issuer), present and future.
(d) Assignment of all contracts, documents, insurance, clearances and interests, present and future, of the Issuer except where it is not allowed under the contract.

10 22.55% of the Compulsorily Convertible Debentures are Pledged by Hero Solar Energy Private Limited for borrowing taken by the entity and 21.67% of Compulsorily Convertible Debentures are pledged by Hero Solar Energy Private Limited for its own borrowing.

* Allotment of Compulsorily Convertible Debentures Series (IV) is of 5.00 million out of 20.00 million number of CCDs

Series I and Series II : Pursuant to IND AS 109, the entity has treated the Compulsory Convertible debentures as Compound financial instrument. As per the terms of agreement, the entity has a contract obligation to pay interest @ 9.4% to debentures holders and conversion ratio into equity shares is fixed 1:1 . From the above perspective, the entire instrument has been considered as compound financial instrument comprising two components i.e. a financial liability and an equity instrument. Accordingly, the entity has adopted the split method of accounting under IND AS and discounted the expected cash outflows (interest payment for the period of 10 yrs) and determined the same as financial liability as on the date of issue of debentures. The entity has allocated the residual value to the equity component. Subsequently

11 The entity has entered into a "Loan Agreement" dated Feb 05, 2016 (amended December 21, 2016) with Hero Wind Energy Private Limited (the holding company) for availing loan upto Rs. 1,500.00 million and accordingly till March 31, 2021 the entity has Rs 583.11 million (March 31, 2020: 576.11 million) outstanding balance against the sanctioned limited. The applicable interest on the said loan should not be less than prevailing yield of Government Securities and is at fixed rate i.e. 9.45% p.a. Subsequent to the year end, the entity has repaid loan from related party

12 The Entity has entered into a "Loan Agreement" dated September 20, 2016 with Hero Wind Energy Private Limited (the holding company) for availing loan upto Rs. 1,000.00 million (March 31, 2020 : Rs 1,000.00 million) and accordingly till March 31, 2021 the entity has got Rs 61.55 million (March 31, 2020 : Rs. 91.55 million) disbursed against the sanctioned limit. The applicable interest on the said loan should not be less than prevailing yield of Government Securities and is at fixed rate i.e. 9.45% pa (March 31, 2020-9.45% p.a). Subsequent to the year end, the entity has repaid loan from related party.

13 a) The Entity has entered in to Interentity Loan Agreement ("Agreement") dated October 18, 2017 with Hero Wind Energy Private Limited ("HWEPL") to borrow an amount of Rs. 205.60 million carrying an Interest rate of 13% p.a. to prepay the subordinate non convertible debentures of aggregate face value of Rs. 321.61 million. During the financial year 2020-21, the entity has repaid the loan amounting to Rs. 50.00 million. Outstanding amount as at March 31, 2021 is Rs 5.60 million. (March 31, 2020: Rs. 55.60 million). Further, the entity has repaid entire loan subsequently.

As per the Agreement, the loan shall be repaid forthwith if 100% of issued and paid-up capital of the entity is not transferred to HWEPL on or before October 25, 2017 otherwise in the manner as mutually agreed between the parties which yet to be decided.

Subsequent to the agreement, Bhilwara Energy Limited has entered into Share purchase agreement for the transfer of 100% of the issued and paid-up capital of the Bhilwara Energy Green Limited to the Hero Wind Energy Private Limited.("Proposed Transaction"). Accordingly Loan shall be repaid in the manner as mutually agreed between the parties. The loan shall be subordinate to the rights of other lenders and other secured creditors of the entity.

b) The Entity has entered into a "Loan Agreement" dated January 24, 2018 with Hero Wind Energy Private Limited (the holding company) for availing loan upto Rs. 500.00 million and accordingly till March 31, 2021 the entity has got Rs 86.00 million (March 31, 2020: Rs. Nil) disbursed against the sanctioned limited. The loan carries the fixed interest rate of 9.45% p.a. which should not be less than prevailing yield of Government securities.(March 31,2020- 9.45% p.a.) . Further, the entity has repaid entire loan subsequently.

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14 The Entity has entered into a "Loan Agreement" dated February 5, 2016 with Hero Wind Energy Private Limited (the holding company) for availing loan upto Rs. 500.00 million (March 31, 2020: Rs 500.00 million) and accordingly till March 31, 2021 the entity has got Rs. 66.25 million (March 31, 2020: Rs 6.25 million) disbursed against the sanctioned limited. The applicable interest on the said loan should not be less than prevailing yield of Government Securities and is at fixed interest rate i.e. 9.45% (March 31, 2020: 9.45% p.a). Subsequent to the year end, the entity has repaid loan from related party.

15 The Entity has entered into a "Loan Agreement" dated December 19, 2016 with Hero Wind Energy Private Limited (the holding company) for availing loan upto Rs. 500.00 million and accordingly till March 31, 2021 the entity has got Rs.479.32 million (March 31, 2020: Rs 479.32 million) disbursed against the sanctioned limit. The applicable interest on the said loan should not be less than prevailing yield of Government Securities and is at fixed rate i.e. 9.45% pa. (March 31, 2020-9.45% p.a.).

16 The Entity has entered into a "Loan Agreement" dated February 5, 2016 (amended on September 20, 2016) with Hero Solar Energy Private Limited (the holding company) for availing loan upto Rs. 600.00 million and accordingly till March 31, 2021 the entity has Rs 32.60 million (March 31, 2020: Rs 32.60 million) outstanding balance against the sanctioned limit. The applicable interest on the said loan should not be less than prevailing yield of Government Securities and is at fixed interest rate i.e. 9.45% p.a (March 31, 2020 9.45% p.a). Further, the entity has repaid entire loan subsequently.

17 On March 19, 2021, the Company has carried out issuance of 4.25% Senior secured notes for US$363 million (Equivalent Rs. 26,680.50 million) with a tenor of 6 years falling due in 2027 to Qualified Institutional buyers.

4.25% Senior secured notes is secured by pledge of 100% of the Company held by Hero Future Energies Asia Pte Ltd, floating charge over all assets of the Issuer (excluding the Onshore Debt, but including, any receivables from the Onshore Debt and any proceeds realized therefrom) and first-priority security interest in the Escrow Account. Security will be shared pari-passu with hedge providers. The notes will mature on March 25, 2027.

18 Reserve Bank of India ('RBI') has announced certain regulatory measures to mitigate the burden of debt servicing on account of COVID-19 outbreak, all the banks, financials institutions and NBFCs were permitted to grant moratorium of six months ('moratorium period') on payment of all instalments falling between March 01, 2020 to August 31, 2020.
During the year ended March 31, 2021, the one of the Restricted Group entity, 'Clean Wind Power (Ratlam) Private Limited, has converted the deferred interest payable amounting to Rs. 77.66 million for moratorium period in term loan. The said deferred interest term loan carries the same rate of interest as applicable for original term loan.

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

		As at March 31, 2021	As at March 31, 2020
16	**Trade payables**		
	Trade payables		
	- Outstanding dues to micro and small enterprises*	4.37	3.62
	- Outstanding dues to parties other than micro and small enterprises	1,016.48	795.87
		1,020.85	799.49

*These have been identified by the Restricted Group from the available information which has been relied upon by the auditors.
For explanations on the Restricted Group's credit risk management processes, refer to note 38.

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	4.37	3.62
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

		As at March 31, 2021	As at March 31, 2020
17	**Other Financial Liabilities**		
	Non- current		
	Lease liability (refer note 34)	-	43.31
		-	43.31
	Current		
	Current maturities of long term borrowings (refer note 45(b))	21,337.28	1,236.89
	Current maturities of 4.25% Senior secured notes (refer note 15)	465.45	-
	Current Maturity of Non-Convertible Debentures- Senior (refer note 15)	798.50	-
	Interest accrued on borrowings	34.99	75.78
	Interest accrued on 4.25% Senior secured notes	18.64	-
	Interest accrued on loan from related parties (refer note 31)	918.89	914.70
	Interest accrued on OCCD (refer note 31)	426.36	353.15
	Interest accrued on Compulsory Convertible Debentures (refer note 31)	363.44	169.39
	Payables for property, plant and equipment and intangible asset	394.60	443.20
	Lease liability (refer note 34)	-	17.49
	Other payable (refer note 31)	777.66	196.41
		25,535.81	3,407.01
	Total	25,535.81	3,450.32

Breakup of financial liabilities at amortised cost:	As at March 31, 2021	As at March 31, 2020
Borrowings (Refer note 15)	53,371.52	28,605.73
Trade payables (Refer note 16)	1,020.85	799.49
Other financial liabilities (Refer note 17)	2,934.58	2,213.43
	57,326.95	31,618.65

		As at March 31, 2021	As at March 31, 2020
18	**Other liabilities**		
	Non- current		
	Deferred government grant (Refer note 40)	305.76	330.47
	Operation and maintenance equalisation reserve	276.08	312.07
		581.84	642.54
	Current		
	Deferred government grant (Refer note 40)	24.72	24.72
	Statutory dues	21.72	29.61
	Operation and maintenance expense equalisation reserve	31.33	15.73
		77.77	70.06
	Total	659.61	712.60

		As at March 31, 2021	As at March 31, 2020
19	**Provisions**		
	Non- current		
	Provision for employee benefits:		
	- Provision for gratuity (Refer note 32)	-	0.76
	- Provision for compensated absences	10.24	6.66
	Others		
	Provision for decommissioning cost	48.56	44.30
		58.80	51.72
	Current		
	Provision for employee benefits:		
	- Provision for gratuity (Refer note 32)	2.36	0.02
	- Provision for compensated absences	0.52	0.34
		2.88	0.36

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(All amounts are in Indian Rupees (In million), unless otherwise stated)

20 Liabilities for current tax (net)

	As at March 31, 2021	As at March 31, 2020
Liabilities for current tax (net of advance tax)	-	4.31
	-	4.31
* Net of advance tax	-	26.26

21 Revenue from operations

	Year ended March 31, 2021	Year ended March 31, 2020
Type of goods or service		
Sale of electricity	4,582.91	4,932.90
Less: Rebate and Discounts	(38.30)	(37.86)
Sale of electricity (net of rebate and discounts)	4,544.61	4,895.04
Incentive under generation based incentive scheme	193.07	220.41
Total revenue from operations	4,737.68	5,115.45

Performance Obligation

Sale of Electricity
The Restricted Group considers the power supplied under PPAs to be a distinct performance obligation and the sale of power to be series of distinct goods that are substantially the same and have the same pattern of transfer to the customer. The Restricted Group has therefore determined that the sale of power meets the revenue recognition criteria to be recognised over time.

Disaggregation of Revenue
The Restricted Group derives its revenue from a single stream of revenue and from the transfer of electricity over time for each unit of electricity sold.

22 Other Income

	Year ended March 31, 2021	Year ended March 31, 2020
Gain on sale of mutual funds	-	27.28
Interest income on fixed deposits	27.28	20.44
Interest income on income tax refund	0.49	2.18
Interest income on loan to related parties	93.96	91.41
Unwinding of discount on deposits	3.64	2.17
Amortisation of deferred government grant (Refer note 40)	24.72	24.72
Gain on settlement of derivatives	-	8.99
Operation and maintenance reserve written back		71.86
Mark to market gain on derivative instruments	-	7.54
Balances and Provision written back	21.05	-
Insurance income (net of expenses)	42.92	-
Sale of Carbon Credit	22.25	12.17
Miscellaneous income	6.43	5.14
	242.74	273.90

* During the year ended March 31, 2020, the Restricted Group has written back Rs. 71.86 million from operation and maintenance equalisation reserve on termination of contract with Inox Wind.

23 Employee benefit expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	94.56	84.21
Contribution to provident and other funds (Refer note 32)	3.73	3.37
Employee stock option plan expenses (Refer note 31(e))	-	0.90
Gratuity expense (Refer note 32)	3.25	1.90
Staff welfare expenses	0.09	0.43
	101.63	90.81

24 Finance cost

	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on financial liabilities measured at amortised cost:		
Interest on debts and borrowings banks and financial institutions	2,379.37	2,360.98
Interest on 4.25% Senior secured notes	19.94	-
Interest on loan from related parties (Refer note 31)	257.86	280.11
Interest on Optional Cumulative Convertible Debenture (refer note 31)	165.44	175.43
Interest on compulsory convertible debenture (refer note 31)	62.36	65.10
Interest on non convertible debenture	106.48	125.69
Interest accretion on lease liability (refer note 34)	2.71	7.85
Other finance costs*	415.73	73.44
	3,409.89	3,088.60

* Includes prepayment charges of Rs. 345.58 million (March 31, 2020: Nil). Refer note 45(b).

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

		Year ended	
25	**Depreciation and amortisation expense**	March 31, 2021	March 31, 2020
	Depreciation of tangible assets	1,376.30	1,378.48
	Depreciation of right of use asset	16.53	19.93
	Amortisation of intangible assets	7.98	7.98
		1,400.81	1,406.39

		Year ended	
25A	**Impairment of Assets**	March 31, 2021	March 31, 2020
	Impairment of Capital work-in-progress (refer note 4)	58.96	-
		58.96	-

		Year ended	
26	**Other expenses**	March 31, 2021	March 31, 2020
	Operation and maintenance expenses* (refer note 31)	426.85	413.22
	Legal and professional expense	48.92	125.06
	Exchange fluctuation expense (net)	0.01	30.69
	Balances written-off	3.06	-
	Rent, rates and taxes	18.79	18.76
	Travelling and conveyance	6.79	13.71
	Power and fuel	66.22	42.43
	Management Fees (refer note 31)	158.40	150.86
	Insurance	59.10	23.88
	Provision for doubtful debts and advances	43.05	-
	Liquidated Damage Charges	206.70	-
	Repair and maintenance	16.54	33.47
	Director sitting fees	0.50	0.50
	Deviation Settlement Charges	35.08	19.69
	Miscellaneous expenses	23.37	15.53
		1,113.38	887.80
	* Includes operation and maintenance equalisation reserve recognised over life of the Operation & maintenance contract	20.38	9.96

		Year ended	
27	**Tax expense**	March 31, 2021	March 31, 2020
	Current tax	10.07	87.86
	Adjustment of tax relating to earlier periods	0.10	(0.38)
	Deferred tax	(169.52)	89.00
		(159.35)	176.48

		Year ended	
28	**Other Comprehensive Income**	March 31, 2021	March 31, 2020
	Re-measurement gains/ (losses) on defined benefit plans	0.62	(1.14)
	Income Tax Effect on Re-measurement gains/ (losses) on defined benefit plans	(0.10)	0.29
	Foreign Currency Translation Reserve	1.53	(5.19)
		2.05	(6.04)

29 Earnings per Share

The special purpose Combined Financial Statements do not represent legal structure and are aggregated for a specific purpose. Accordingly, Earnings per Share (EPS) on aggregated number of shares has not been disclosed

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(All amounts are in Indian Rupees (In million), unless otherwise stated)

30 **Deferred Tax**

a) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020 as follows:

	As at March 31, 2021	As at March 31, 2020
Accounting profit before tax	(1,104.25)	(84.25)
Applicable tax rate	26.00%	26%
Computed Tax Expense	(287.11)	(21.91)
Difference in tax Rates	(9.36)	7.08
Adjustment for current tax of prior periods	-	(21.42)
Effect of tax rate differences due to entity operating in other jurisdictions	0.29	9.06
Effect of tax rate differences due to adoption of different tax rate	6.85	-
Non-deductible expenses for tax purposes	19.26	11.54
Effect on tax due to reassessment of temporary differences reversing under tax holiday period	(0.29)	248.24
Deferred tax asset not recognised *	101.74	0.22
Adjustment in respect of prior years with respect to restatement of CCD	7.74	-
Tax rate difference on sale of carbon credit	(3.37)	-
MAT Credit taken in previous year charged off	-	(56.18)
Others	4.90	(0.15)
Income tax charged to Special Purpose Combined Statement of Profit & Loss	(159.35)	176.48

a) In respect of entities covered under tax holiday period as specified under section 80 IA of Income tax Act, 1961, Restricted Group has revised its projected taxable profits, during the tax holiday period based on current year actual performance and other external factors impacting the projected project performance. Based on revised projections, Restricted Group has reassessed its deferred tax position and necessary impact has been taken to the statement of profit and loss.

b) Considering, Restricted Group comprises of nine entities out of which eight entities are located in India. Further, all the business operations are carried out in these eight Indian entities. Consequently, we have presented ETR as per the tax rate applicable in Indian Jurisdiction and impact of difference in tax rate is shown as " Effect of tax rate differences due to entity operating in other jurisdictions".

c) Deferred tax assets and liabilities have been offset where they arise in the same taxing jurisdiction with a legal right to offset but not otherwise. Accordingly the net deferred tax (assets)/liability has been disclosed in the Balance Sheet as follows :

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	500.91	425.63
Deferred tax liabilities	(570.25)	(602.44)
Net Deferred tax assets/ (liabilities)	(69.34)	(176.81)

b) Component of Deferred tax Assets/liabilities (net):

As on March 31, 2021

Significant components of deferred tax asset/(liabilities)	**Opening Balance as on April 01, 2020**	**Charged / (credited) to Statement of profit and loss**	**Charged / (credited) to OCI**	**Charged / (credited) directly in Equity**	**Closing Balance as on March 31, 2021**
Carry forward tax loss and Unabsorbed depreciation	559.50	(414.06)	-	-	973.56
Higher depreciation and amortization for tax purposes	(1,160.23)	246.32			(1,406.55)
Effective interest rate adjustments for borrowings	(5.08)	(7.81)			2.73
Equity component of compound financial instruments	137.56	19.60		61.95	56.01
Deferred Government Grant	37.25	15.59			21.66
Minimum alternative tax credit entitlement (refer note (a) below)	216.25	(7.74)	-	-	223.99
Lease liability	13.35	13.35	-	-	-
Right of use asset	(12.77)	(12.77)			-
Others	37.36	(22.00)	0.10	-	59.26
Total	(176.81)	(169.52)	0.10	61.95	(69.34)

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

As at March 31, 2020

Significant components of deferred tax asset/(liabilities)	Opening Balance as on April 01, 2019	Charged / (credited) to Statement of profit and loss	Charged / (credited) to OCI	Charged / (credited) directly in Equity	Closing Balance as on March 31, 2020
Carry forward tax loss and Unabsorbed depreciation	890.84	331.34	-	-	559.50
Higher depreciation and amortization for tax purposes	(1,305.65)	(145.42)	-	-	(1,160.23)
Effective interest rate adjustments for borrowings	(26.09)	(21.01)	-	-	(5.08)
Equity component of compound financial instruments	121.50	(21.27)	-	5.21	137.56
Deferred Government Grant	85.98	48.73	-	-	37.25
Minimum alternative tax credit entitlement [refer note (a) below]	64.43	(151.82)	-	-	216.25
Lease liability	-	(13.35)	-	-	13.35
Right of use asset	-	12.77	-	-	(12.77)
Others	86.11	49.04	(0.29)	-	37.36
Total	(82.89)	89.00	(0.29)	5.21	(176.81)

(a) The Indian entities of Restricted Group has recognized an asset of Rs 223.99 million (March 31, 2020: Rs 216.25 million) as "MAT credit entitlement" . It represents that portion of MAT liability which can be set off in subsequent years based on provisions of Income Tax Act 1961. The management based on future profitability projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the entities to utilize MAT credit assets.

(b) In cases where the timing differences are reversing within the tax holiday period under the provisions of section 80-IA of the Income Tax Act, deferred tax has not been recognised on those differences.

*(c)(i) As at March 31, 2021, the Clean Solar Power (Gulbarga) Private Limited has carry forward tax losses of Rs. 391.19 million (expiring Rs. 59.23 million in financial year 2028-29, Rs. 331.96 million in financial year 2029-30) on which the entity has not recognized deferred tax asset of Rs. 98.60 million considering absence of future taxable profits against which such deferred tax assets can be realized.
(ii) As at March 31, 2021, the Company has carry forward tax losses of Rs. 23.41 million (expiring Rs. 1.03 million in financial year 2023-24, Rs. 1.46 million in financial year 2024-25 and Rs. 20.92 million in financial year 2025-26) on which the Company has not recognized deferred tax asset of Rs. 3.51 million considering absence of future taxable profits against which such deferred tax assets can be realized.

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

31 Related Party Transactions

a) List of related parties

Name of Related Party	Nature of relationship
BM Munjal Energies Private Limited	Ultimate holding company
Hero Future Energies Private Limited	Intermediate holding company
Hero Future Energies Asia Pte. Ltd.	holding company
Hero Solar Energy Private Limited	holding company
Hero Wind Energy Private Limited	holding company
Clean Wind Power Devgarh Private Limited	Fellow subsidiary
Clean Solar Power (Tumkur) Private Limited	Fellow subsidiary
Clean Solar Power (Chitradurga) Private Limited	Fellow subsidiary
Clean Solar Power (Jaipur) Private Limited	Fellow subsidiary
LNJ Power Ventures Limited	Fellow subsidiary
Waaneep Solar Private Limited	Fellow subsidiary
Vayu Urja Bharat Private Limited	Fellow subsidiary
Clean Wind Power (Bhavnagar) Private Limited	Fellow subsidiary
Hero Future Energies Limited Employees Group Gratuity Trust	Enterprises over which key management personnel and their relatives able to control
Neha Sethi	Key Managerial Personnel (entity Secretary)
Lipsy Gupta	Key Managerial Personnel (entity Secretary)
Ritu Rani (appointed w.e.f Dec 19, 2019)	Key Managerial Personnel (entity Secretary)
Yuma Pandey (resigned w.e.f January 10, 2020)	Key Managerial Personnel (entity Secretary)
Shreya Sharma (resigned w.e.f June 29, 2019)	Key Managerial Personnel (entity Secretary)
Rahul Kumar (appointed w.e.f March 17,2020)	Key Managerial Personnel (entity Secretary)
Ramswarup Vij	Key Managerial Personnel (Chief Finance Officer)
Vipul Sharma (resigned w.e.f January 31, 2020)	Key Managerial Personnel (entity Secretary)
Ankur Sharma (resigned w.e.f April 23, 2021)	Key Managerial Personnel (entity Secretary)
Aditya Kumar (appointed w.e.f June 10, 2021)	Key Managerial Personnel (entity Secretary)
Rohit Singh (resigned on June 10, 2019)	Key Managerial Personnel (entity Secretary)
Pulkit (appointed w.e.f October 1, 2019)	Key Managerial Personnel (entity Secretary)
Teena sharma (appointed w.e.f. August 17, 2020)	Key Managerial Personnel (entity Secretary)
Sanjeev Kumar	Independent Director
Nelson Mandela (appointed w.e.f. August 20, 2020)	Key Managerial Personnel (entity Secretary)
Ashish Kumar Friends	Independent Director

b) Transactions with related parties

Name of Related Party	Relationship	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
Hero Future Energies Private Limited	Intermediate holding company	Management & development fees	40.88	38.93
		Expenses incurred on entity's behalf	0.25	-
Hero Future Energies Asia Pte. Ltd.	holding company	Capital contribution received	53.65	1.35
Hero Solar Energy Private Limited	holding company	Issue of share capital	600.00	-
		Issue of CCD	1,349.60	-
		Loan taken	-	5.65
		Loan repaid	2,420.26	856.20
		Interest expenses	3.09	154.02
		Loan given	842.61	1,399.00
		Interest received on Loan	215.23	70.88
		Interest on Compulsory Convertible Debentures	142.62	141.94
		Expenses incurred by holding company on our behalf	76.10	4.90
		Management fees payable	76.01	72.40
		Operation & maintenance expense	108.16	104.53
Hero Wind Energy Private Limited	holding company	Proceed from loan	155.00	38.50
		Repayment of loan	80.00	236.50
		Development, O&M and management fees	301.29	287.28
		Interest payable on loan	113.50	126.09
		Expenses incurred on entity's behalf	0.39	5.91
		Expenses incurred on their behalf	3.91	141.21
		Interest on Optional Convertible Cumulative Debentures	132.33	-
		Loan given	-	200.00
		Interest received on Loan	19.99	20.53
Hero Future Energies Limited Employees Group Gratuity Trust	Enterprises over which key management personnel and their relatives able to control	Contribution in gratuity fund	111.51	0.09
Clean Wind Power (Pratapgarh) Private Limited	Fellow Subsidiary	Expenses incurred on entity's behalf	0.05	-
Clean Solar Power (Chitradurga) Private Limited	Fellow Subsidiary	Expenses incurred on entity's behalf	0.15	-
Waaneep Solar Private Limited	Fellow Subsidiary	Expenses incurred on entity's behalf	0.85	0.03
Clean Wind Power (Bhavnagar) Private Limited	Fellow Subsidiary	Expenses incurred on entity's behalf	0.03	0.14
LNJ Power Ventures Limited	Fellow Subsidiary	Expenses incurred by us	0.02	-
		Expenses incurred on entity's behalf	-	0.08
Vayu Urja Bharat Private Limited	Fellow Subsidiary	Expenses incurred on entity's behalf	0.04	(0.58)
		Expenses incurred by us	0.11	-
Clean Wind Power (Devgarh) Private Limited	Fellow Subsidiary	Expenses incurred on entity's behalf	-	328.54
		Expenses incurred by us	0.05	-
Clean Solar Power (Jaipur) Private Limited	Fellow subsidiary	Expenses incurred on entity's behalf	-	0.10
		Purchase of solar module	-	-
Clean Solar Power (Tumkur) Private Limited	Fellow Subsidiary	Expenses incurred on entity's behalf	0.45	0.51

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c) Closing Balance of related parties

Name of Related Party	Relationship	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
Hero Future Energies Private Limited (Formerly Clean solar Power(Hiriyur) Private Limited)	Intermediate holding company	Development fees payable	88.97	106.87
		Management fees payable	39.25	17.90
		Module procurement payable	3.15	3.15
		Other payable	7.74	10.61
		Other receivable	2.78	-
		Receivable on account of sale of goods	0.51	0.51
		Other payable	0.02	-
Hero Future Energies Asia Pte. Ltd.	holding company	Other payables	53.62	1.35
Hero Solar Energy Private Limited	(ii) As at March 31, 2021, the Company has carry forward tax losses of Rs. 23.41 million (expiring Rs 1.03 million in financial year 2023-24, Rs. 1.46 million in financial year 2024-25 and Rs. 20.92 million in financial year 2025-26) on which the Company has not recognized deferred tax asset of Rs. 3.51 million considering absence of future taxable profits against which such	Loan payable	92.60	1,670.25
		Interest payable	605.91	611.08
		Payable on account of debentures	2,419.60	1,070.00
		Payable on account of Optional Convertible Cumulative Debentures	345.00	345.00
		Payable on account of interest on Optional Convertible Cumulative Debentures	127.58	95.46
		Management fees	131.43	90.68
		Development fee payable	186.91	186.91
		Operational & maintenance fee payable	36.48	46.84
		Other payables	16.02	-
		Module procurement payable	124.89	124.89
		Receivable for Sale of solar module	3.39	3.39
		Receivable on account of loan	680.00	680.00
		Interest receivable	132.21	63.79
		Expenses incurred by holding company on our behalf	-	93.97
Hero Wind Energy Private Limited	holding company	Payable on account of loan	1,283.83	1,208.83
		Interest accrued but not due	975.19	730.69
		Payable on account of business support services	27.63	63.45
		Payable on account of Optionally Convertible Cumulative Debentures	1,458.38	1,458.38
		Management fees	-	11.05
		Operational & maintenance fee payable	95.88	10.60
		Expenses incurred	-	3.97
		Loan receivable	200.00	200.00
		Interest on loan receivable	36.97	18.48
		Other receivable	0.20	-
		Other payables	3.09	2.54
Hero Future Energies Limited Employees Group Gratuity Trust	Enterprises over which key management personnel and their relatives able to control	Contribution towards gratuity fund	9.79	8.53
Clean Wind Power (Devgarh) Private Limited	Fellow subsidiary	Receivable for Sale of goods	0.53	0.53
		Other receivable	328.59	328.54
Clean Solar Power (Chitradurga) Private Limited	Fellow subsidiary	Other payables	0.02	-
Clean Solar Power (Jaipur) Private Limited	Fellow subsidiary	Purchase of solar module	48.40	48.40
		Other payables	0.10	0.10
LNJ Power Ventures Limited	Fellow subsidiary	Other receivable	0.14	0.08
Clean Wind Power (Bhavnagar) Private Limited	Fellow subsidiary	Other payable	0.17	0.14
Waaneep Solar Private Limited	Fellow subsidiary	Other payable	0.88	0.03
Clean Wind Power (Pratapgarh) Private Limited	Fellow Subsidiary	Other receivable	0.05	-
Vayu Urja Bharat Private Limited	Fellow subsidiary	Other payables	1.28	(0.58)
		Other receivable	-	0.04
Clean Solar Power (Tumkur) Private Limited	Fellow subsidiary	Other payables	0.85	1.29

d) Compensation of Key management personnel of the Restricted Group

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Payment to Key management personnel*	4.53	3.63
Total compensation paid to Key management personnel	4.53	3.63

* Remuneration to the Key managerial personnel does not include the provision made for gratuity and leave encashment, as they are determined on an actuarial basis for the Restricted Group as whole.

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e) Other transactions with Related Party
In case of Clean Wind Power (Satara) Private Limited
(i) Pursuant to scheme of amalgamation, Stock option holders under erstwhile Hero Future Energies Private Limited (now amalgamated)("HFE") are entitled to stock options in Hero Future Energies Private Limited. As per the Scheme of amalgamation, the expense under revised ESOP scheme cannot be lesser than the erstwhile scheme and accordingly HFE has drafted revised ESOP scheme which has been approved by the Nomination and Remuneration Committee and is yet to be approved by the Board of Directors of HFE.

Name of the entity	Nature of relationship	No. of employees	No. of Options	Expense charged to profit or loss (2019-20)	Expense charged to profit or loss (2018-19)	Expense charged to profit or loss (2017-18)
Hero Future Energies Private Limited (HFE)	Intermediate holding company	1	82,800	0.90	0.36	0.34

During the year ended, the said entity has recognised ESOP expense of Rs. Nil (March 31, 2020: Rs. 0.90 million) with a corresponding credit to deemed capital contribution on the basis of the revised draft ESOP scheme. Upon approval of scheme by Board of Directors, the management do not expect any material change in these financial statements.

(ii) Term loan facility of Clean Wind Power (Satara) Private Limited is secured by way of corporate guarantee amounting to Rs 1,263.20 million, given by Hero Wind Energy Private Limited on behalf of the said entity.

f) Terms and conditions of transactions with related parties
The transaction with related parties are made on terms equivalent to those that prevail in arm's length transaction The income expense from sale/Purchase from related parties are made on arm's length basis outstanding balances at the year end are unsecured and interest free.

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32 **Gratuity and other post-employment benefit plans**

a) Defined contribution plans
The Restricted Group makes contribution towards provident fund/ pension fund. Under the scheme, the Restricted Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to the defined contribution scheme. The Restricted Group has recognized Rs. 3.73 million (March 31, 2020: Rs 3.37 million) during the year as expense towards contribution to the plan.

	Year ended	
	March 31, 2021	March 31, 2020
Provident fund	3.73	3.37
Total	**3.73**	**3.37**

b) Defined benefit plans
In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, through which the Restricted Group is able to determine the present value of obligations. "Projected Unit Credit Method" recognizes each year of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation.

I) Gratuity scheme
The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

c) The following tables summarize the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the defined benefit plan

	As at March 31, 2021	As at March 31, 2020
	Gratuity (Funded)	Gratuity (Funded)
Change in benefit obligation		
1 Present value of obligation as at the beginning of the year	7.35	4.84
2 Add: Current service cost	3.33	2.17
3 Add: Past service cost	0.07	-
4 Add: Interest cost	0.44	0.38
5 Add: Actuarial (gain) / loss	0.05	0.98
6 Less: Benefits paid	-	(0.26)
7 Add: Acquisition Adjustment	0.43	(0.47)
8 Less: Benefits paid	(0.95)	(0.29)
Present value of obligation as at the end of the year	**10.72**	**7.35**

d) The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

	Year ended	
	March 31, 2021	March 31, 2020
	Gratuity (Funded)	Gratuity (Funded)
Cost for the year included under employee benefit		
Add: Current service cost	3.33	2.17
Add: Past service cost	0.07	-
Add: Interest cost	0.44	0.19
Less: Investment Income	(0.58)	(0.46)
Net cost	3.26	1.90

e) Changes in the fair value of the plan assets are as follows:

	Year ended	
	March 31, 2021	March 31, 2020
	Gratuity (Funded)	Gratuity (Funded)
Fair value of plan assets at the beginning	8.55	8.20
Add: Investment income	0.58	0.64
Add: Expected return on plan assets	0.67	(0.13)
Add: Actuarial gains / (losses) on the plan assets	-	(0.16)
Fair value of plan assets at the end	**9.80**	**8.55**

f) Detail of actuarial gain/loss recognised in OCI is as follows:

	Year ended	
	March 31, 2021	March 31, 2020
	Gratuity (Funded)	Gratuity (Funded)
1 Actuarial gain / (loss) for the year – obligation	(0.05)	(0.98)
2 Actuarial gain / (loss) for the year - plan assets	0.67	(0.13)
3 **Total gain / (loss) for the year**	**0.62**	**(1.11)**
4 Actuarial gain / (loss) recognised in the year	0.62	(1.11)

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g) Principal actuarial assumptions at the balance sheet date are as follows:

	Year ended	
	March 31, 2021	March 31, 2020
	Gratuity (Funded)	Gratuity (Funded)
Economic assumptions		
1 Discount rate	6.85%	6.85%
2 Rate of increase in compensation levels	14%	12%
Demographic assumptions		
1 Expected average remaining working lives of employees (years)	25.59-31.43	26.57
2 Retirement Age (years)	60.00	60.00
3 Mortality Table	Indian Assured Lives Mortality (2012-14) (modified) ultimate	Indian Assured Lives Mortality (2012-14) (modified) ultimate
Withdrawal Rate		
1 Ages up to 30 Years	3.24%	5.34%
2 Ages from 31-44	10.05%	4.58%
3 Above 44 years	1.94%	0.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

h) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.

(ii) As at March 31, 2021, the Company has carry forward tax losses of Rs. 23.41 million (expiring Rs. 1.03 million in financial year 2023-24, Rs. 1.46 million in financial year 2024-25 and Rs. 20.92 million in financial year 2025-26) on which the Company has not recognized deferred tax asset of Rs. 3.51 million considering absence of future taxable profits against which such deferred tax assets can be realized.

	Year ended	
	March 31, 2021	March 31, 2020
	Gratuity (Funded)	Gratuity (Funded)
Present value of obligation	10.72	7.34
Less: Fair value of plan assets	(9.80)	(8.54)
Net (assets) / liability	0.93	(1.20)

i) A quantitative sensitivity analysis for significant assumption as is as shown below:

	Year ended	
	March 31, 2021	March 31, 2020
	Gratuity (Funded)	Gratuity (Funded)
A. Discount rate		
Effect on DBO due to 1% increase in Discount Rate	(4.39)	1.10
Effect on DBO due to 1% decrease in Discount Rate	6.08	5.96
B. Salary escalation rate		
Effect on DBO due to 1% increase in Salary Escalation Rate	6.01	5.85
Effect on DBO due to 1% decrease in Salary Escalation Rate	(4.43)	1.13
C. Withdrawal Rate		
Effect on DBO due to 50% increase in Withdrawal Rate	(3.96)	1.44
Effect on DBO due to 50% decrease in Withdrawal Rate	6.84	5.33
D. Mortality Rate		
Effect on DBO due to 50% increase in Mortality Rate	(5.23)	2.14
Effect on DBO due to 50% decrease in Mortality Rate	5.26	4.17

j) Maturity profile of defined benefit obligation is as follows:

	As at March 31, 2021	As at March 31, 2020
	Gratuity (Funded)	Gratuity (Funded)
1 year	0.36	0.16
2 to 5 years	1.75	0.64
6 to 10 years	2.56	1.11
More than 10 years	34.79	36.55

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33 Capital Management

For the purpose of Restricted Group's capital management, capital includes issued equity capital and equity reserves attributable to the equity holders of the parent. The primary objective of the Restricted Group's capital management is to maximise the shareholder value.

The Restricted Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Restricted Group may return capital to shareholders or issue new shares. The Restricted Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The net debt of the Restricted Group includes interest bearing borrowings less cash and cash equivalents.

	As at March 31, 2021	As at March 31, 2020
Borrowings (including current maturities of long term borrowings) (Refer to note 15 and 17)	53,371.52	28,605.73
Less: Cash and cash equivalents (Refer to note 7)	4,723.96	914.75
Net debt	**48,647.56**	**27,690.98**
Equity share capital (Refer to note 13)	3,634.10	3,032.76
Other equity (Refer to note 14)	(728.41)	(280.46)
Total Capital	**2,905.69**	**2,752.30**
Capital and net debt	**51,553.25**	**30,443.28**
Gearing ratio	**94.36%**	**90.96%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

In order to achieve this overall objective, the Restricted Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There is no breach covenant except as mentioned in note 15 'Borrowings'.

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34 Leases

The Restricted Group has lease contracts for office premises and land. Leases of office premises generally have lease terms between 3 and 9 years, while land contracts generally have lease terms between 21 and 25 years.
The entity also has certain leases of equipment with lease terms of 12 months or less and leases of office equipment with low value. The entity applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Carrying amounts of right-of-use assets recognised and the movements during the year are disclosed under note 3.
Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the year:

	Amount
As At April 1, 2019	113.57
Additions	-
Accretion of Interest	7.85
Payments	(60.62)
As At March 31, 2020	60.80
Additions	
Accretion of Interest	2.71
Lease concession income	(1.44)
Income on termination	(3.90)
Adjustment of ROU on termination of lease	(46.04)
Payments	(12.13)
As At March 31, 2021	-

	As at March 31, 2021	As at March 31, 2020
Current	-	17.49
Non- Current	-	43.31

The maturity analysis of lease liabilities are disclosed in note 38.

The effective interest rate for lease liabilities is between 9.00%- 9.35% with maturity between year 2021-2045

The following are the amounts recognised in Profit & Loss account:

	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation	16.53	19.93
Interest expense on lease liabilities	2.71	7.85
Expense relating to short- term leases and low value assets(included in other expenses)	7.38	5.94
	26.62	33.72

The Restricted Group had total cash outflows for leases of Rs. 19.51 million during the year ended March 31, 2021 (March 31, 2020 Rs. 66.56 million).

35 Commitments and Contingent Liabilities

a. Commitments

(i) The various entities of the Restricted Group have entered in to long term Power Purchase Agreements ('PPA') ranging from 13 to 25 years from the respective date of commissioning with various Discoms and private parties wherein the said entities have committed to sell and Discoms & private parties have committed to purchase entire generation from installed capacity.

b. Contingent Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Bank guarantee outstanding	2.12	713.12
Viability Gap Funding	442.80	442.80
Total	444.92	1,155.92

Bank guarantees have been provided as a security to make payments to third parties in the event that the Restricted Group does not perform what is expected of it under the terms of any related contracts or commercial arrangements.

Viability gap funding represents the amount already received which the government agencies can demand repayment of in case the project fails to generate power for a long period of time.

As per Subclause (i) and (ii) of clause 'a' of Article 4.2 read with Article 4.1 of VGF Securitization Agreement dated March 28, 2014 made between the 'Clean Solar Power (Dhar) Private Limited and Solar Energy Corporation of India (hereinafter referred to as "SECI"), the entity is liable to refund the amount of VGF received to SECI if it commits certain defaults as specified in VGF Agreement.

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c. Other Legal Proceedings

General

I. Land related

There are approximately 3 land cases filed by third parties against one of the Restricted Group entity namely Clean Solar Power (Gulbarga) Private Limited or vice versa on various issues including (i) sale of their ancestral land by relatives/family members, without obtaining their consents, to the said entity (ii) encroachment/erection of towers by the said entity on their land (iii) the reduction of land value and damage to crops due to the installation of power transmission lines over their land (iv) the receipt of inadequate sales consideration from subsidiaries for the sale of their land. The said entity is contesting all such cases and based on advice from legal counsel, management believes that they have a good case on merits. The Restricted Group has concluded that it is only possible, but not probable that the actions of the various third parties will succeed. Accordingly, no provision has been made in these financial statements. Although carrying value of these parcels of land are not individually or collectively material, the potential impact on the future success or viability of the relevant projects could be material to the entity. Given the uncertainty surrounding the various claims against the entity, it is also not practicable to quantify the potential future effect on earnings, operations, cash flow or financial condition of the entity.

II. Tax related

Clean Solar Power (Gulbarga) Private Limited has received a show cause notice "SCN" dated June 3, 2019 in which tax dues amounting to Rs. 70.89 million for the period up to June 30, 2017 from "Government of Andhra Pradesh, Commercial VAT Department" which requires to submit F forms, invoices and E way bills by the entity in respect of stock transfers of goods from AP State to Karnataka state. Accordingly, the entity has duly submitted all F forms, and other required documents dated on July 18, 2019. Assessment order in respect of that SCN is still awaited.

III. Others

(i) In case of one of the Restricted Group entity namely, Bhilwara Green Energy Limited has entered into Operation & Maintenance ('O&M') agreement with ReGen Infrastructure and Services Private Limited ('ReGen') dated September 18, 2015. Vide order dated February 19, 2020, National entity Law Tribunal has ordered the commencement of corporate insolvency resolution process of the ReGen and appointed Interim Resolution Professionals ('IRP'). Consequent to financial position of ReGen, to ensure smooth functioning of the plant (including repair of 5 Wind Turbine Generator failure in previous year), the said entity as per approval from ReGen and IRP, paid advance to material/ service vendors of ReGen for replacement/repairs of Generators and other related expenses. As at March 31, 2021, the net outstanding advance (net of amount payable towards O&M services rendered till 31 March 31, 2021) was Rs. 87.40 million which will either be refunded or adjusted against future services. Basis above facts, historical and continuing arrangement for O&M services and adjustment of advances against services received, transactions of ReGen with fellow subsidiaries, and considering that ReGen is continuing as O&M vendor and will continue to provide services, the Management of the Restricted Group believes that the advance amount is fully recoverable either in cash or through services received from the ReGen, however, as a prudence the management of the entity has provided the amount of provision of Rs. 35.00 million against said advance in the financial statement.
Additionally, the entity has filed claim for liquidity damages as per contractual terms but following conservative principles, it has not recognized as net income (net of provision) in these financial statement.

(ii) In case of one of the Restricted Group entity namely, Clean Wind Power (Satara) Private Limited, capital advance of Rs. 328.54 million receivable from one of the vendors as at March 31, 2021, the entity had served legal notice on the vendor for quality related issues and the said vendor had filed counter-claim (amount is not quantifiable) from the said entity. In view of non-performance of its contractual obligations by the vendor as well as considering an amount of Rs. 365.00 million payable to the same vendor by other fellow subsidiary, management had decided to settle the claims/counter claims of the same vendor by the other fellow subsidiary i.e. Clean Wind Power (Devgarh) Private Limited. Hence consequential adjustment had been accounted in the financials and the claim will be recoverable from Clean Wind Power (Devgarh) Private Limited.

(iii) In case of one of the Restricted Group entity namely, Clean Wind Power (Piploda) Private Limited, had entered into a turnkey contract for supplying a 26MW Wind power plant with Gamesa Renewables Private Limited. The contract was inclusive of all taxes including entry tax. Further, vide Order dated March 30, 2021, the Entry tax assessment was completed and the entity has received demand of Rs.63.76 million (including interest and penalties). Considering, the entry tax was exempt on any goods which was brought to the state of Karnataka for set up of Wind power plant, however Department needs a specific certificate from Department of Energy, Govt of Karnataka specifying that the project is eligible for entry tax exemption. Hence, entity had filed a Writ petition in the high court against the said order of Entry tax Department and High Court has stayed the demand. The management believes that there is no likelihood of any unfavourable outcome. Accordingly, no provision for any liability has been made in the financial statements considering the entity has contract with Gamesa which is inclusive of all taxes including entry tax.

iv) In case of one of the Restricted Group entity namely, Clean Wind Power (Ratlam) Private Limited, the said entity has filed a Writ Petition under Article 226 of Constitution of India before the Indore bench of Madhya Pradesh High Court for issuing appropriate writ to MP Discom (the Respondent) to stop billing the entity under the HV-3.1 Tariff Category under the un-amended Regulation 10 of the MPERC RE Regulations, 2010 and also to stop retrospectively levying charges under HV-3.1 Category. Vide order dated February 18, 2020, High Court grated Interim Stay and directed the MP Discom to not take any coercive action till the next date of hearing. Next date of hearing is yet to be notified.

Total charges imposed till March 31, 2021 is Rs 26.24 million. Based on the internal assessment the management believes that MP Discom has wrongly levied the charges under incorrect category and there would not be any liability on the entity to pay these charges.

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36 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Restricted Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

a) Fair value of financial assets:

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial assets measured at fair value through profit or loss				
Investment in mutual fund	-	-	-	-
Total A	-	-	-	-
Financial assets measured at amortised cost				
Security deposits (Refer to note 9)	4.04	3.69	4.04	3.69
Trade receivables (Refer to note 6)	2,657.27	1,956.34	2,657.27	1,956.34
Cash and cash equivalents (Refer to note 7)	4,723.96	914.75	4,723.96	914.75
Other bank balances (Refer to note 8)	22,592.89	71.27	22,592.89	71.27
Other financial assets (Refer to note 9)	1,552.22	1,425.97	1,552.22	1,425.97
Total B	31,530.38	4,372.02	31,530.38	4,372.02

b) Fair value of financial liabilities:

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial liabilities measured at fair value through profit or loss				
	-	-	-	-
Financial liabilities measured at amortised cost				
Borrowings (Refer to note 15 and 17)	53,371.52	28,605.73	53,371.52	28,655.68
Trade payables (Refer note 16)	1,020.85	799.49	1,020.85	799.49
Other financial liabilities (Refer to note 17)	2,934.58	2,213.43	2,934.58	2,213.43
	57,326.95	31,618.65	57,326.95	31,668.60

Management has assessed that trade receivables, cash and cash equivalents, other bank balances, trade payables, interest accrued on borrowings and current maturities of long term borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments.

Long term borrowings are primarily Indian domestic rupee denominated loans with fixed interest rate and floating interest rate borrowings. For floating interest rate borrowings, the interest rates are linked to market driven benchmark rates (Marginal Cost of Lending Rates/ Prime Lending Rates) of respective lenders plus minus a prefixed spread. As per contractual arrangement, these benchmark rates are periodically revised by the lenders at a pre-set interval to reflect prevalent market conditions.

Further, Restricted Group has an option to prepay loans subject to terms of respective loan arrangement. Due to these reasons, management is of the opinion that they can achieve refinancing, if required, at similar cost of debt, as current effective interest rates. Accordingly, effective cost of debt for Borrowings in medium term time horizon will be in line with the prevalent market rates.

Discount rate used in determining fair value
The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Restricted Group and in case of financial asset is the average market rate of similar credit rated instrument. The Restricted Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

The following methods and assumptions were used to estimate the fair values:

a) Fair values of the Restricted Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the rate as at the end of the reporting year. The own non-performance risk as at March 31, 2021 was assessed to be insignificant

b) Fair value for security deposits (other than perpetual security deposits) has been presented based on the discounting factor as at the reporting date. Fair value for all other non-current assets and liabilities is equivalent to the amortised cost, interest rate on them is equivalent to the market rate of interest.

c) For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

37 **Fair value hierarchy**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Restricted Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets

	Level Classification	As at March 31, 2021	As At March 31, 2020
Financial assets measured at fair value through profit or loss			
Total A		-	-
Financial assets measured at amortised cost			
Security deposits (Refer to note 9)	Level 2	4.04	3.69
Trade receivables (Refer to note 6)	Level 2	2,657.27	1,956.34
Cash and cash equivalents (Refer to note 7)	Level 2	4,723.96	914.75
Other bank balances (Refer to note 8)	Level 2	22,592.89	71.27
Other financial assets (Refer to note 9)	Level 2	1,552.22	1,425.97
		31,530.38	4,372.02
Total (A+B)		31,530.38	4,372.02

Quantitative disclosures fair value measurement hierarchy for liabilities

	Level Classification	As at March 31, 2021	As At March 31, 2020
Financial liabilities measured at fair value through profit or loss			
Total A		-	-
Financial liabilities measured at amortised cost			
Borrowings (Refer to note 15 and 17)	Level 2	53,371.52	28,655.68
Trade payables (Refer note 16)	Level 2	1,020.85	799.49
Other financial liabilities (Refer to note 17)	Level 2	2,934.58	2,213.43
Total B		57,326.95	31,668.60
Total (A+B)		57,326.95	31,668.60

Management has assessed that trade receivables, cash and cash equivalents, other bank balances, trade payables, Interest accrued on borrowings and current maturities of long term borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments.

There have been no transfers between Level 1 and Level 2 during the year.

Valuation technique used to determine fair value:
Specific valuation techniques used to value financial instruments include:
- Borrowings are primarily Indian domestic long-term rupee loans wherein interest rates are linked to benchmark rates (Marginal Cost of Lending Rates/ Prime Lending Rates) of respective lenders. These benchmark rates are determined based on cost of funds of the lenders, as well as, market rates. The benchmark rates are periodically revised by the lenders to reflect prevalent market conditions. Accordingly, effective cost of debt for Borrowings at any point of time is in line with the prevalent market rates. Due to these reasons, management is of the opinion that they can achieve refinancing, if required, at similar cost of debt, as current effective interest rates. Hence, the discounting rate for calculating the fair value of Borrowings has been taken in line with the current cost of debt.
- Fair value of other non-current assets and liabilities is determined based on discounted cash flow method using risk adjusted discount rate.

Fair value of variable interest bearing borrowings is considered approximate to their carrying amounts. Fair value of fixed interest bearing borrowings is computed using a combination of market and present value approach. Fair market interest, for this purpose, has been considered 10%.

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

38 Financial risk management objectives and policies

The Restricted Group's principal financial liabilities comprise trade and other payables, borrowings, current maturity of borrowings, interest accrued and capital creditors. The main purpose of these financial liabilities is to finance the Restricted Group's operations and to provide guarantees to support its operations.

The Restricted Group's principal financial assets includes Investment in mutual funds, security deposits, deposit with original maturity of 12 months, trade receivables, cash and cash and interest accrued thereon.

The Restricted Group is exposed to credit risk, liquidity risk and market risk. The Restricted Group's senior level management of these risks and is supported by Treasury department that advises on the appropriate financial risk governance framework.

All derivative activities for risk management purposes are carried out by the teams that have the appropriate skills, experience and supervision. In order to minimise any adverse affects on the financial performance of the Restricted Group, the Restricted Group may use foreign forward contracts including currency rate swaps to hedge certain foreign currency risk exposures. The use of financial derivatives is governed by the Restricted Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives, and the investments of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. Derivatives are used exclusively for hedging purposes and not for trading and speculative purposes.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk borrowings, short term deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

i) 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 Restricted Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Restricted Group to interest rate risk. The Restricted Group manages its net exposure to interest rate risk related to borrowings, by balancing a proportion of fixed rate and floating rate borrowing in its total borrowing portfolio. To manage this portfolio mix, the Restricted Group may enter into currency rate swap arrangements and/ or interest rate swap arrangements, which allows the Restricted Group to exchange periodic payments based on a notional amount and agreed upon fixed and floating interest rates.

The Restricted Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of borrowings affected. With all other variables held constant, the Restricted Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax
March 31, 2021	+50	(179.04)
	-50	179.04
March 31, 2020	+50	(117.37)
	-50	117.37

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

ii) Foreign currency risk

The Restricted Group is exposed to foreign exchange risk through buyers credits, Letter of credit's issued to foreign vendors and foreign currency trade payables. The Restricted Group holds derivative financial instruments such as currency Interest rate swaps (CIRS) to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future.

The Restricted Group is not exposed to foreign currency risk in current year.

B. Credit risk

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 Restricted Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Restricted Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

The Restricted Group has state utilities/government entities as it's customers with high credit worthiness, therefore, the Restricted Group does not see any risk related to credit. The credit quality of the customers other than state utilities/government entities is evaluated based on their credit ratings and other publicly available data.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Neither past due nor impaired	Less than 30 days	30 to 90 days	90 to 180 days	More than 180 days	Total
Trade Receivables as of March 31, 2021	622.60	189.38	400.32	757.56	687.67	**2,657.53**
Trade Receivables as of March 31, 2020	709.59	205.23	281.27	378.49	382.02	**1,956.60**

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

II) Financial Instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Restricted Group's treasury department in accordance with the Restricted Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Restricted Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Restricted Group's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

C. Liquidity risk

Liquidity risk is the risk that the Restricted Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Restricted Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Restricted Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Restricted Group's financial liabilities based on contractual undiscounted payments.

As at March 31, 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings* #	877.83	23,475.20	1,095.91	10,535.74	23,798.81	59,783.49
Trade payables	-	4.37	1,016.48	-	-	1,020.85
Other financial liabilities	841.64	301.49	1,791.45	-	-	2,934.58
Lease Liabilities #	-	-	-	-	-	-
Total	**1,719.47**	**23,781.06**	**3,903.84**	**10,535.74**	**23,798.81**	**63,738.92**

As at March 31, 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings* #	1,046.30	768.13	2,463.03	15,672.61	27,320.12	47,270.19
Trade payables	-	-	799.49	-	-	799.49
Other financial liabilities	319.72	241.74	1,591.17	-	-	2,152.63
Lease Liabilities #	-	2.28	7.87	44.71	15.08	69.94
Total	**1,366.02**	**1,012.15**	**4,861.56**	**15,717.32**	**27,336.20**	**50,292.25**

* refer note 15 and 17

\# It includes contractual interest payment based on interest rate prevailing at the end of the reporting period.

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(All amounts are in Indian Rupees (in million), unless otherwise stated)

39 Segment Note

The Restricted Group is engaged in a single segment i.e., the business of "generation and sale of power" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM) including CEO, CFO and the functional heads. All the Restricted Group's resources are dedicated to this single segment and all the discrete financial information is available for this segment.
The Restricted Group operates within India and does not have operations in economic environments with different risks and returns.

40 Accounting of Viability Gap Funding (government grant)

In respect of one of the Restricted Group namely Clean Solar Power (Dhar) Private Limited, the said entity has entered into Viability Gap Funding (VGF) securitization agreement with Solar Energy Corporation of India ("SECI") for creating a charge on project assets based on which the said entity is eligible to receive VGF support amounting to Rs 492.00 million.

As per the terms of the agreement, VGF for 30MW plant shall be released in two instalments: first instalment of 50% of VGF shall be released at a date not earlier than three months from scheduled commissioning date and balance 50% to be received in 5 equal instalment over the next 5 years, subject to plant meeting the generation requirement specified in the VGF Securitization Agreement.

VGF received is treated as deferred revenue and is being amortized over the useful life of the assets in the same proportion in which depreciation on related assets is charged to statement of profit and loss. Accordingly, the Restricted Group has recorded an amount of Rs. 24.72 million (March 31, 2020 Rs. 24.72 million) as Other income, which is recorded under Note 22 of the financial statements, while an amount of Rs. 330.47 million (March 31, 2020 Rs. 355.19 million) has been recorded as "Deferred government grant" under Note 18 of the financial statements.

Government grants have been received for assistance in setting up the of 30 MW solar plant. There are no unfulfilled conditions attached to these grants.

	As at March 31, 2021	As at March 31, 2020
Summary of VGF as on March 31, 2021		
Opening Balance	355.19	330.71
Received during the year	-	49.20
Released to the statement of profit and loss	(24.72)	(24.72)
Closing Balance	330.47	355.19
Current	24.76	24.76
Non Current	305.71	330.43

41 In one of the Restricted Group entity namely 'Bhilwara Green Energy Limited, since August 5, 2017 till date twenty Wind Turbine Generator(WTG) has failed, out of which, all WTG have been repaired and restored. The repair cost of these WTG is to be borne by operation and maintenance ('O&M') operator per the original agreement dated October 31, 2011 and assignment agreement dated September 18, 2015, accordingly no cost has to be borne by the said entity for repair.

Also, the said entity has insurance against business interruption losses for the period the WTG was under breakdown condition. Accordingly the entity has filed for insurance claim against fifteen generators till date and in the process of submission for remaining five WTG which have already repaired and restored. Out of which eleven claim has been settled by the insurance entity for Rs. 31.50 million (including Rs. 3.88 million received during FY 18-19) till March 31, 2021. As remaining claims are yet to be approved and settled by the Insurance entity, considering the substantial difference in settlement amount vis-a-vis claimed amount, no income has been recognised in the statement of profit & loss for the year ended March 31, 2021 against the said insurance claim filed by the entity which is still pending for settlement by the insurance entity.

42 Disclosure pursuant to amendment to Ind AS 7 (Cash flow statement):

Particulars	Opening balance (April 01, 2020)	Cash flows	Non-cash transactions				Closing balance (March 31, 2021)
			Processing cost	Interest accretion	Vacated Lease	Others	
Term loans from Financial Institution & Banks	22,213.34	25,886.11	(302.51)	-	-	(167.62)	47,629.32
Cash credit facilities	70.00	41.50	-	-	-	-	111.50
Loan from Related Party (refer note 31)	2,819.08	(1,502.66)	-	-	-		1,316.42
Non-Convertible Debentures	974.62	(177.44)	1.32	-	-	-	798.50
Compulsory Convertible Debentures	515.31	1,349.60	-	(47.13)	-	(246.15)	1,571.63
Optional Convertible Debentures	1,799.19	-	0.03	0.06	-	0.36	1,799.64
Lease Liabilities	60.80	(12.13)	-	2.71	(51.38)	-	-
Total	28,452.34	25,584.98	(301.16)	(44.36)	(51.38)	(413.41)	53,227.01

Particulars	Opening balance (April 01, 2019)	Cash flows	Non-cash transactions				Closing balance (March 31, 2020)
			Processing cost	Interest accretion	New Leases	Others	
Term loans from Banks & Financial Institutions	20,905.45	1,296.07	11.82	-	-	-	22,213.34
Cash credit facilities	-	70.00	-	-	-	-	70.00
Loan from Related Party (refer note 31)	3,158.63	(279.55)	-	-	-	(60.00)	2,819.08
Non-Convertible Debentures	1,133.82	(159.70)	0.50	-		-	974.62
Buyer's credit	1,719.89	(1,830.47)	5.49	-	-	105.09	0.00
Compulsory Convertible Debentures	557.93	-	-	(42.62)	-	-	515.31
Optionally convertible cumulative debentures	1,799.12	-	-	0.07	-	-	1,799.19
Lease Liabilities	113.57	(60.62)	-	7.85	-	-	60.80
Total	29,388.41	(964.27)	17.81	(34.70)	-	45.09	28,452.34

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43 Going Concern

(i) Restricted Group Entities, namely 'Clean Wind Power (Piploda) Private Limited and 'Clean Wind Power (Bableshwar) Private Limited, the entities have incurred losses in the financial year, has accumulated losses, has negative net worth and current liabilities are exceeding from current assets as at March 31, 2021. The entities expect to have sustainable cash flows addressing any uncertainties around the going concern assumptions, this would result in the revival of the entities and recovery of its losses. Additionally, Hero Wind Energy Private Limited has also agreed to provide such financial support as necessary enable the entities to continue its operations and to meet its liabilities as and when due on continuing basis. Accordingly, these financial statement has been prepared on going concern basis.

(ii) The Company has accumulated losses, has negative net worth and current liabilities are exceeding from current assets as at March 31, 2021. The parent has agreed to provide such financial support as necessary enable the Company to continue its operations and to meet its liabilities as and when due on continuing basis. Accordingly, these financial statement has been prepared on going concern basis.

44 COVID-19

Due to outbreak of Covid-19 in India and globally, the Restricted Group has continued its assessment of likely adverse impact on economic environment in general and financial risks on account of Covid-19. Considering that the Restricted Group is in the business of generation of electricity which is an essential service as emphasised by the Ministry of Home Affairs and Ministry of Power, Government of India and which is granted "Must Run" status by Ministry of New and Renewable Energy ("MNRE"), the management believes that the impact of outbreak on the business and financial position of the Restricted Group is not significant. Further, MNRE directed that the payment to Renewable Energy power generator shall be done on regular basis as being done prior to lockdown and the Restricted Group has generally received regular collection from its customers. The Restricted Group is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimise the impact of the unprecedented situation.

However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of Covid-19 may be different from that estimated as at the date of approval of these financial statements and the Restricted Group will continue to monitor any material changes to future economic conditions.

45 Subsequent event

(a) In respect of one of the Restricted Group entity namely, 'Bhilwara Green Energy Limited, considering the said entity has made full pre-payment towards redemption of outstanding Non-Convertible Debentures (NCDs) to Debenture Holder (refer note 15 for details), BSE has suspended trading in these NCDs vide notice dated April 26, 2021. Subsequently, on May 21, 2021, the said entity has filed application for De- Listing of its NCDs with BSE which is under process.

(b) On March 19, 2021, the Company has carried out issuance of 4.25% Senior secured notes for US$363 million (Equivalent Rs. 26,680.50 million) with a tenor of 6 years falling due in 2027 to Qualified Institutional buyers. Net proceeds of this offering is to be used to subscribe the onshore debt (rupee denominated external commercial borrowings in the form of bonds) to be issued by Indian entities of Restricted Group. These Indian Restricted Group entities will use the proceeds to repay their existing external project finance debt, including the settlement of any early prepayment charges and other associated expenses.

Subsequently, in April 2021, these Indian Restricted Group entities have subscribed to above mentioned rupee denominated external commercial borrowings and repaid their existing lenders, therefore as at March 31, 2021, outstanding term loans of these Indian entities of Restricted Group have reclassified from non-current borrowings to current maturities of long term borrowings.

Consequently, the Indian entities of Restricted Group have also charged off unamortised portion of transaction cost and prepayment charges on loan in the statement of profit and loss account for the year ended March 31, 2021.

46 Figures have been rounded off to the nearest million unless otherwise stated and absolute amounts less than Rs. 5,000 are appearing in the financial statements as "0" due to presentation in million, if any.

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP
GURUGRAM

per Pravin Tulsyan
Partner
Membership Number:108044

Place: Gurugram
July 28, 2021

For and on behalf of the Restricted Group

Neeral Nawaz
Director

Manogaran Thamothiram
Director

Place: Mauritius
Date : July 27, 2021

Year ended March 31, 2021 Special Purpose Combined Financial Results

Operating Results

Revenue from contract with customers

Revenue from contract with customers decreased to Rs. 4,737.68 million for the year ended March 31, 2021, from Rs. 5,115.45 million for the year ended March 31, 2020. This change was primarily on account of lower wind speed in wind power plants impacting the generation during high wind season.

Generation for the year ended March 31, 2021 and March 31, 2020 was 933.91 GWh million units and 997.17 GWh million units respectively, representing a 6.34% decrease as compared to the year ended March 31, 2020.

Other income

Other income decreased to Rs. 242.74 million for the year ended March 31, 2021, from Rs. 273.90 million for the year ended March 31, 2020, primarily due to operation and maintenance equalization reserve (liability) written back in the previous year. This decrease was partially offset by one-off increase in insurance claim received during the year.

Expenses

Employee benefits expense

Employee benefits expense increased to Rs. 101.63 million for the year ended March 31, 2021, from Rs. 90.81 million for the year ended March 31, 2020, primarily due to increase in salaries, wages and bonus on account of new hirings and increases resulting from the annual increment cycle.

Finance costs

Finance costs increased to Rs. 3,409.89 million for the year ended March 31, 2021, from Rs. 3,088.60 million for the year ended March 31, 2020, primarily on account of prepayment charges for pre-closure of long-term borrowings consequent to issuance of 4.25% Senior secured notes during the current year.

Depreciation and amortization expense

Depreciation and amortization expense was Rs. 1,400.81 million for the year ended March 31, 2021 and Rs. 1,406.39 million for the year ended March 31, 2020.

Impairment of assets

Impairment of assets totaled Rs. 58.96 million for the year ended March 31, 2021, compared to Rs. Nil for the year ended March 31, 2020. Impairments during the year ended March 31, 2021 was, primarily due to impairment of capital work-in-progress in Clean Wind Power (Satara) Private Limited.

Other expenses

Other expenses increased to Rs. 1,113.38 million for the year ended March 31, 2021, from Rs. 887.80 million for the year ended March 31, 2020, primarily due to one-off liquidated damage charges and increase in provision for doubtful advances during the current year.

Tax expense

Tax expense decreased to a net tax credit of Rs. 159.35 million for the year ended March 31, 2021, from a net tax expense of Rs. 176.48 million for the year ended March 31, 2020, primarily on account of the recognition of deferred tax asset on account of carry forward tax losses.

Net profit/(loss) after tax

As a result of the foregoing, loss for the period increased to Rs. 944.90 million for the fiscal year ended March 31, 2021, from Rs. 260.73 million for the fiscal year ended March 31, 2020.

Cash Flow Discussion

Net cash flow from operating activities

In the year ended March 31, 2021, the net cash flow from operating activities was Rs. 3,831.22 million. This net cash inflow was primarily attributable to operating profit before working capital changes. The operating profit before working capital changes was Rs 3,614.66 million in the year ended March 31, 2021. The changes in working capital in the year ended March 31, 2021, was primarily attributed to (i) increase in other financial liabilities of Rs. 930.18 million, (ii) increase in trade and other payables of Rs. 242.41 million. These effects were partially offset by increase in other assets of Rs. 87.19 million, increase in other financial assets of Rs. 124.97 million and increase in trade and other receivables of Rs. 705.32 million.

Net cash generated from investing activities

In the year ended March 31, 2021, the net cash flow used in investing activities was Rs. 22,673.44 million, which primarily consisted Rs. 35.94 million of purchase of property, plant and equipment including capital work in progress, capital creditors and capital advances and increase in balance with banks of Rs. 22,682.48 million which is partially offset by net proceeds from fixed deposits with Banks of Rs. 9.89 million and interest received of Rs. 35.09 million

Net cash generated from financing activities.

In the year ended March 31, 2021, the net cash flow from financing activities was Rs. 22,762.33 million, which primarily consisted of Rs. 28,464.61 million proceeds from borrowings including proceeds from issuance of 4.25% Senior secured notes and Rs. 857.80 million proceeds from issue of equity share capital. These effects were partially offset by Rs 2,909.01 million of repayments made on borrowings, and interest paid of Rs. 3,735.18 million.